BUDGET
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Heading Toward
Alberta's Second
Century

Business Plans

Alberta

Patricia L. Nelson
Minister of Finance

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Heading Toward
Alberta's Second
Century

ALBERTA
Edmonton

Business Plans

PRESENTED BY PATRICIA L. NELSON
MINISTER OF FINANCE
In the Legislative Assembly of Alberta
March 24, 2004

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Government of Alberta Strategic Business Plan

THE VISION

"A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children."

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2004

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Government of Alberta Strategic Business Plan

The Government of Alberta Strategic Business Plan consists of:

Alberta's Vision:	Today's Advantage, Tomorrow's Promise: Alberta's Vision for the Future;
20-Year Strategic Plan:	Today's Opportunities, Tomorrow's Promise: A Strategic Plan for the Government of Alberta;
Medium-Term Strategies:	Cross-Ministry Initiatives and Medium-Term Strategic Plans; and
3-Year Business Plan:	2004-07 Government of Alberta Business Plan.

The **Government of Alberta Strategic Business Plan** consists of the following:

Alberta's Vision for the Future which lays out Alberta's vision of "A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children".

It outlines the values that Albertans hold and four key opportunities or "pillars" to realize Alberta's vision: unleashing innovation; leading in learning; competing in a global marketplace, and making Alberta the best place to live, work and visit.

A Strategic Plan for the Government of Alberta which is a 20-year strategic plan that flows from the vision document, Today's Advantage, Tomorrow's Promise: Alberta's Vision for the Future. The 20-year plan sketches a picture of Alberta in the year 2025 and contains broad strategies for achieving the four key opportunities outlined in the vision document.

The 20-Year Strategic Plan is based on what the government has heard from Albertans in different forums over the last few years. It provides strategic direction for government planning and policies.

Cross-Ministry Initiatives and Medium-Term Strategic Plans. The Cross-Ministry Initiatives section sets out the objectives and targets for four policy initiatives that bring together various ministries to address corporate government-wide issues. This approach recognizes that many issues are not isolated to a single ministry. The 2004-07 policy initiatives are: the Aboriginal Policy Initiative, the Alberta Children and Youth Initiative, the Economic Development Strategy, and the Health Sustainability Initiative.

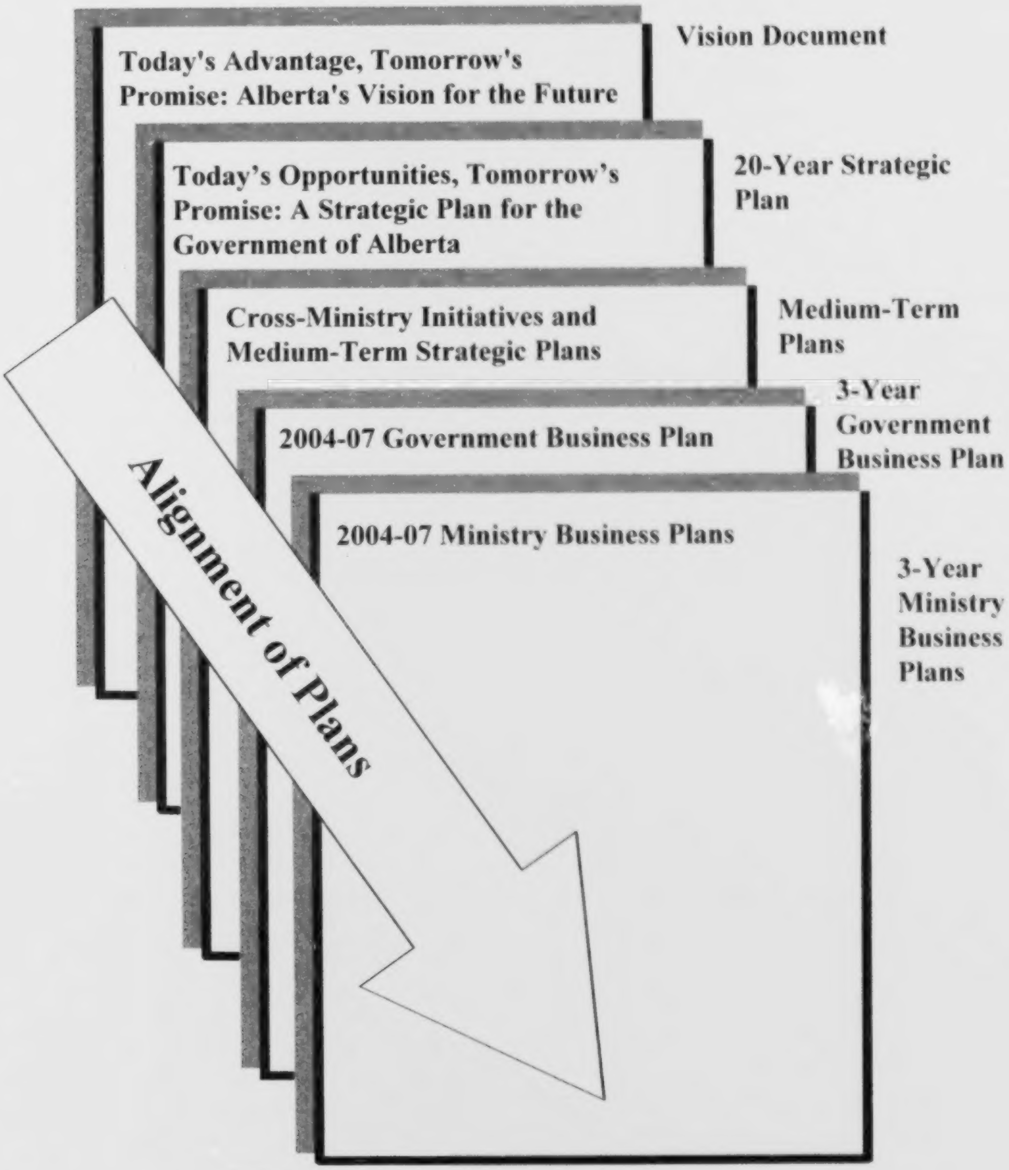
The Medium-Term Strategic Plans section provides information on government strategies to address priority issues over a longer period of time.

The **2004-07 Government Business Plan** which is an ongoing three-year plan linked to the fiscal plan and aligned with the broader strategies in the 20-year plan. The government business plan is published annually. It lays out the government's goals, strategies, and performance measures to track progress towards goal achievement.

Ministry business plans are also published annually and cover a three-year period. These ministry business plans are required to indicate how they link to the Government Business Plan.

Strategic Policy Framework

The Alberta Government has a strategic policy framework with a vision, linking long-term, medium-term and short-term plans. The vision document is at the top and sets out Alberta's vision for the future. Next, the long-term 20-year strategic plan sets out major strategic themes on how that future will be achieved. Each subsequent plan provides a greater level of detail. In addition, at the ministry level, operational plans and management performance contracts are developed. This alignment ensures that all of government is "pulling together" and that all strategies are linked to Alberta's vision and 20-year strategic plan.


Today's Advantage, Tomorrow's Promise: Alberta's Vision for the Future
Vision Document
Today's Opportunities, Tomorrow's Promise: A Strategic Plan for the Government of Alberta
20-Year Strategic Plan
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Alberta's Vision for the Future

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Today's Advantage, Tomorrow's Promise: Alberta's Vision for the Future

Just over 10 years ago, the Alberta government set a course for a new future. Since then, Albertans and their government together have brought in an era of enviable growth and unmatched prosperity. Making great strides toward achieving the vision of: "A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children", *Today's Advantage, Tomorrow's Promise: Alberta's Vision for the Future* renews and refreshes that vision for the next 20 years. Building on Alberta's strengths and its successes over the last decade, it is a renewed vision for the promise of our future.

PROMISES KEPT, MISSION ACCOMPLISHED

In 1993 Albertans faced some tough choices. The economy was not performing to potential and the government was spending more than it could afford. Red tape and regulations were hurting business and government had become too big. Albertans told their government to take action and their government listened. Alberta's government is now more open, transparent, accessible and accountable than ever before.

Enormous achievements have been realized. Deficits are a thing of the past and the debt is almost eliminated. The economy has grown strongly and steadily. Alberta's outstanding economic growth has created over 375,000 new jobs in just 10 years. Regulations have been streamlined and government has become more effective, efficient, adaptable and value driven. Personal and business taxes are lower. Important changes have been made to the way we organize and structure Alberta's health system. The Mazankowski Report has provided a blueprint to continue strengthening and ensuring the sustainability of the system, and to create a strong foundation for the challenges of the future. The Learning Commission has examined the fundamentals of the learning system to assist us to build on a similar strong foundation in education.

But perhaps the most significant achievement of the past decade is the change in how Albertans and their government work together. Individuals and communities now want and expect to be full participants in governing the province. Public participation in future-shaping events such as the *Growth Summit* and the *Future Summit* has brought government closer to the people and has empowered individuals to become planners of their own future while government is asked to ensure the infrastructure is there to enable them to succeed. The Government of Alberta has forged partnerships with communities to find local solutions to important issues. From consultation in every policy or legislative change, to community engagement in program areas from Fetal Alcohol Spectrum Disorder prevention to community justice committees to economic development authorities and tourism councils, the door has been opened to individual and community participation. We now expect community governance as a normal operating procedure, not a special event.

Albertans' accomplishments have set the stage for the next decade and beyond. The global environment is challenging and chaotic. Success requires a strong foundation, a clear sense of values and a strength of purpose. We can't stand still. We must recognize and build on the accomplishments of the last decade; not rest on them. Respecting the ongoing need for the sound fiscal policies which got us to where we are today, *Today's Advantage, Tomorrow's Promise* works to achieve our vision that Alberta is a place where all Albertans can realize their full potential, where we are stewards of Alberta's natural beauty and resources, and where sustained economic growth leads to continued prosperity and realized opportunity.

KEEPING ALBERTANS' VALUES IN MIND

Central to the government's vision for the future are the values this province has been built on. Past successes were achieved as a result of these values - and future successes will be achieved with these values in mind.

At the core of our vision is Albertans' desire for the freedom to control their own lives and their rejection of unnecessary rules or red tape. Albertans have always had a strong belief in the freedom to pursue personal success. Albertans recognize that their right to self-determination is balanced by their responsibility to their family and to the greater community.

Albertans also have a pioneering, entrepreneurial spirit and a willingness to take risks and embrace new technologies. Our vision is built on Albertans' desire to take advantage of these new opportunities and to maximize their personal achievements and potential.

Equally important is Albertans' desire for strong leadership - strong leaders that listen to Albertans and create an environment where individual Albertans have the opportunity to achieve their goals - strong leaders who will forge directions, make decisions and take action to protect our high quality of life and reflect our independent spirit.

TAKING THE NEXT STEP

Achieving the new vision will require effort from all of us. Individuals, communities, non-profit organizations and businesses all have an important role to play. So does the Alberta government.

Leadership in government provides the framework through economic, social and regulatory policies - and in partnership with other levels of government, communities, business, industry and not-for-profit sectors - they together create the environment for all to flourish. Leadership requires promoting Alberta's interests and securing benefits for Albertans as an equal partner in a strong, united Canada.

Albertans have defined the role their government should play in creating the best possible future for the province. Government's role is to create an environment that allows people to freely take advantage of opportunities. Government's role is to ensure the right infrastructure is in place for Albertans to make their own opportunities. Government's role is to provide Albertans with an opportunity to acquire the knowledge they need to identify and participate in future opportunities. And government's role is assurance - that Albertans have safe water, air, land and food and have access to quality health care.

The vision within *Today's Advantage, Tomorrow's Promise* is centred on people, preservation and prosperity.

People are at the core of the Alberta Advantage that is envied around the world. As our best resource, Albertans will realize their potential and be confident about the future. This requires hope, personal and community resourcefulness to meet challenges, and support where needed. It requires valuing the diverse gifts that all Albertans bring to their communities, whether building economic strength or contributing to making the community a vibrant, safe and healthy place to live. This requires valuing the healthy development of all people, to achieve their highest potential.

The government will promote this success by making sure Alberta's children get the best possible start in life and by ensuring Albertans have the capacity to educate themselves as well as the freedom to create innovative and entrepreneurial opportunities. Individuals make and must be responsible for choices which impact their own health and the health of others, but influencing some of the factors that lead to healthy human development requires our common action. We need to ensure that quality health care is there when people need it.

Albertans are caring and compassionate and have concern for their fellow citizens. Albertans will always ensure that essential services are there for those of us in need to enable each of us to be the best that we can be.

Preservation means maintaining an environment that is unsurpassed in the world. In balance with sustainable economic growth, Albertans value the preservation of the province's clean, healthy, natural environment, where the majestic beauty of Alberta is protected for future generations to enjoy.

Through careful stewardship, the Alberta government will manage these resources in a sustainable manner, maintain our system of parks and protected lands, and ensure clean air, land, rivers and lakes.

Prosperity is essential to maintaining and improving Albertans' overall quality of life. Unmatched, sustainable overall economic growth is a cornerstone of realizing the province's full potential.

Today's Advantage, Tomorrow's Promise is a vision to ensure economic growth that is unmatched in Canada, North America and around the world. It is a vision that ensures individual Albertans will have the chance to work or seize an opportunity.

The base for this growth will be achieved through sound management that enables the sustainable development of our natural-resource-based economy. Along with individual Albertans and Alberta businesses, the Alberta government has a role in creating an attractive tax, fiscal and regulatory climate that stimulates all sectors of our economy and makes new, innovative business possible. And the government will also target areas of emerging excellence by placing an emphasis on research and development in health, energy, climate change, and value added agriculture and resource development.

Ultimately, although financial well-being is the anchor of prosperity, other dimensions of family, social, spiritual and physical well-being are essential to fulfill human aspirations and are the true measure of our prosperity as Albertans.

ACHIEVING THE VISION

Today's Advantage, Tomorrow's Promise is based on ensuring that people grow and develop into vibrant, confident individuals, families and communities that achieve their full potential. This is achieved through four key opportunities - unleashing innovation, leading in learning, competing in a global marketplace, and making Alberta the best place to live, work and visit.

Unleashing innovation focuses on becoming a world leader in innovation, research, development and commercialization of new ideas. This applies both to our existing strengths in energy, agriculture and forestry as well as new businesses that create wealth by commercializing new technologies, creating new products, and adding value at home for export abroad.

Leading in learning requires making sure Albertans have the opportunities they need to learn, adapt and develop new knowledge and new skills. This means making certain our educational opportunities are second to none and our children have the chance to get a healthy start in life. It requires our support of opportunities for lifelong learning, developing both skills and knowledge.

Competing in a global marketplace is creating a business and investment environment that is recognized around the world as an excellent place to do business. It requires setting policies that allow Albertans to compete and succeed in a global marketplace. It means competing for our share of the growing global market for manufactured goods and business services, welcoming visitors both as tourists within a clean and sustainable industry, and as potential citizens interested in investment and living opportunities. Albertans, with heritage from all parts of the world, live in harmony in a cosmopolitan society setting an example for the world and providing a key advantage in global relations and trade.

Making Alberta the best place to live, work and visit is where these strategies translate into a superior quality of life for Albertans. Making Alberta the best place to live, work and visit means attracting people to live in Alberta because it provides an environment in which they can contribute their talents and create a quality of life that meets their dreams. It means maintaining strong and viable rural and urban communities, protecting wildlife and parks, and promoting the diversity and excitement of Alberta's cultural, arts and recreational opportunities. It means promoting safety and ensuring Albertans' security. Above all, it means making certain we are able to raise our children in a safe and healthy environment.

Today's Advantage, Tomorrow's Promise is the Alberta government's vision of an Alberta from Albertans - a vision designed by listening to Albertans. It is a vision of unmatched economic prosperity. It is a vision about unleashing the talents of individual Albertans. It is a vision about maintaining a clean and healthy environment. And it is a vision where all of these combine to create an exceptional quality of life. It is a vision for the future. It is a vision of hope.

A Strategic Plan for the Government of Alberta

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Today's Opportunities, Tomorrow's Promise: A Strategic Plan for the Government of Alberta

"Today's Opportunities, Tomorrow's Promise" is a strategic plan that lays out a course for the Alberta government for the next 20 years. It lays out a **vision** *for the future; identifies four* **opportunities or "pillars"** *for Alberta to maximize its potential; and suggests a number of specific* **strategies** *to take advantage of those opportunities.*

THE VISION

The plan's vision statement for the province is: "A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children." A broad picture is sketched of what Alberta could look like in just over 20 years, in the year 2025. Among other features, the picture is of a province where people are free to realize their full potential and are capable of creating and capitalizing on opportunity, the vulnerable are protected, and the economic fundamentals of the province are strong.

THE OPPORTUNITIES AND STRATEGIES

The four areas of opportunity for the province over the next 20 years are taken from the government's 2003 vision document. The opportunities, and the plan's strategies to realize them, are summarized below.

1. *Unleashing Innovation*

- Creating the environment and infrastructure that enables knowledge and technology to invigorate our traditional economic strengths and to create new economic opportunities.
- Developing and using energy and natural resources wisely and exploiting new technologies to maximize the benefits of all resources.
- Implementing a long-term water strategy and completing an effective land use policy that ensures the most appropriate use of these basic resources, while recognizing our obligations as stewards for future generations.
- Ensuring Albertans are able to continuously explore and understand our changing world, identify and mitigate emerging risks before they become crises, and see and grasp emerging opportunities.

2. *Leading in Learning*

- Investing in our learning systems to assist Albertans in their desire to have their children succeed and to ensure that the province benefits from its human potential.
- Ensuring the accessibility, quality and affordability of the basic education system.
- Promoting the importance of lifelong learning as the necessary way for each Albertan to maximize his or her potential to the benefit of all Albertans.
- Helping Albertans get the work and life skills they need to achieve their aspirations.

3. *Competing in a Global Marketplace*

- Ensuring reliable export markets, including a possible customs union with the U.S.A.
- Protecting Alberta's achievements by being a strong partner in Confederation and by effectively projecting our influence within and beyond Canada.
- Building on Alberta's economic cornerstones, such as oil and gas, agriculture, forestry and tourism.
- Continuing to keep taxes low and ensure competitive, safe and efficient regulatory systems.

4. *Making Alberta the Best Place to Live, Work and Visit*

- Ensuring adequate revenue to properly fund Albertans' priorities through government programs.
- Keeping basic services such as health, education and social programs contemporary, responsive and affordable.
- Building a modern infrastructure that supports Albertans' social and economic goals.
- Working with municipal governments to support strong, viable, safe and secure communities.
- Protecting Albertans' basic personal and economic freedoms.

CONCLUSIONS: BUILDING ON ALBERTANS' SELF-RELIANCE

Government will need to work in partnership with Albertans to achieve the vision it has laid out for the Alberta of 2025. The role of government is to work together with Albertans to support self-reliance, manage uncertainties and realize opportunities. The core value of Albertans is self-reliance. This core value will shape the Alberta of tomorrow and help achieve tomorrow's promise.

INTRODUCTION: AN ARRAY OF OPPORTUNITIES; A THEME OF SELF-RELIANCE

In the first part of the 21st century, Alberta is Canada's high-energy province. It leads the nation in nearly all economic indicators, and is the destination for Canadian families who are looking to start new careers, open new businesses, and realize their dreams.

For Albertans, economic success is not an end in itself. Albertans look at economic strength as a key to achieving their personal goals, and essential to enjoying the advantages afforded by strong communities, good health and education systems, low taxes, and a high level of personal freedom and autonomy. While financial well-being is the anchor of prosperity, other dimensions of family, social, spiritual and physical well-being are essential to fulfill human aspirations and are the true measures of prosperity. For this province, a strong economy is not merely about numbers on a spreadsheet. It's about opportunity.

Alberta is blessed with an abundance of natural resources that have contributed to its economic fortune. But Alberta's success is built on more than the luck of geography. The vital ingredient in Alberta's success story is the hard work and dedication of the people who make up the province; people who dedicate themselves to continuous improvement for themselves, their families, their communities, and their province.

Albertans expect their government to create an environment in which they can maximize opportunities. For them, government's job isn't to do the work for them; it's to let them do the work themselves. Albertans call this self-reliance, and it's a principle that has shaped this province and its people for the last century and longer.

It has been self-reliant Albertans, not government, who have built the farms and ranches that developed this province. It has been self-reliant Albertans, not government, who have drilled the oil and gas wells that made energy the engine of the province's economy. It has been self-reliant Albertans, not government, who have built Alberta's businesses, raised Alberta's families, taught in the province's schools, cared for patients in Alberta's hospitals, and built communities where people feel safe, respected, and free.

Today's Albertans cherish their independence and insist on being self-reliant, just as yesterday's Albertans did. As Alberta looks forward to its second century as a province, its people recognize that self-reliance will be the foundation of the province's future, just as it was the foundation of the province's past.

This commitment to self-reliance shouldn't be confused with a lack of caring - for neighbours, or for the province as a whole. Albertans believe that every citizen has the right to maximize his or her personal opportunities, and the responsibility to help those who need help.

Nor does self-reliance mean that there aren't important expectations for government. Albertans expect their government to provide a framework for success through economic, social and regulatory policies that create opportunities for all to flourish. They also expect that government will work in partnership with Albertans, and their municipalities, First Nations, Métis Settlements, businesses, and Aboriginal and other communities, to build Alberta together. They expect that government will help lead the development of the tools for the 21st century economy - tools such as research, innovation and the development and commercialization of technology. They expect their government to provide the proper infrastructure needed for growth and prosperity, and to protect the environment so that Albertans have safe water, air and land today and tomorrow. In short, government should fund basic services fairly, avoid big government, manage public dollars wisely, and ... get out of the way!

Over the next 20 years or so, the government wants to help the province match or improve its record of success over the previous decade. That's why it has developed this long-range plan. The plan expands on the province's vision for the future by painting a picture of what Alberta could look like in 2025. It then lays out Alberta's abundant opportunities for the future and ideas for realizing the full potential of those opportunities.

The 20-year plan has not been developed out of thin air. It's based in large part on what the government has heard from Albertans, in different forums, over the last few years. Consultative events such as summits in agriculture and health, discussions with Alberta's Aboriginal communities and opinion-gathering activities such as mail-out surveys to Albertans on issues ranging from fiscal planning to the future of the Heritage Savings Trust Fund, have all helped shape the direction of this plan. And, in 2001, the *Future Summit* gave Albertans from all walks of life the opportunity to contribute ideas and outline priorities to a long-term vision of Alberta's future. Those who took part in these forums, and those who followed them, should see much of those discussions reflected here.

Having long-term goals - a destination - is obviously important; just as important is making the journey as rewarding and fulfilling as possible for all those involved. This plan talks about how to do that. But it also emphasizes that the participation of Albertans will be essential to its success. Achieving tomorrow's promise for Alberta is within the grasp of all Albertans. Today, let's start building tomorrow.

THE VISION - ALBERTA IN 2025

In February 2003, the Alberta government renewed its vision for the future. This look forward, titled *Today's Advantage, Tomorrow's Promise: Alberta's Vision for the Future*, builds on Alberta's strengths and successes over the last decade, and sets a framework for the government to follow in the future. The vision for Alberta is: *"A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children."*

Based on this vision statement, the government considered the question: What do Albertans want their province to look like in 20 years or so, say, in the year 2025? The result is that the government sees Alberta in 2025 as a province of four million people, slightly older than today's population and more diverse. Alberta in 2025 will be a place where:

- Its people are free to realize their full potential, and personal choice is the only limit to opportunity.
- Government is a responsible steward of the province's abundance of natural resources.
- People feel safe in their homes, on their streets, at work and in their communities.
- The economic fundamentals of the province are strong, and the tax system is designed to stimulate individual entrepreneurship and the transformation to a knowledge-based economy.
- The economy shifts toward a knowledge-based approach, with research, technology development and value-added products having a much larger part in the province's prosperity.
- Essential public services such as health and education are contemporary, accessible, and affordable, and individuals have a role to play in using these services responsibly.

- The potentially vulnerable in society, including seniors, children, and the disabled, have the support they need to live in dignity, achieve personal satisfaction and independence, and continue to contribute to the betterment of the province.
- Albertans are able to enjoy the province's unspoiled natural areas and wide variety of arts, cultural and recreational opportunities.
- Aboriginal Albertans have achieved a socio-economic status equivalent to that of other Albertans.
- The province's small towns, farms and ranches are a vital part of Alberta, and rural communities, like large urban communities, are vibrant and growing.
- The province is a full, participating partner in Confederation, and the views of Albertans are respected by the federal government.
- Municipalities and the provincial government work in a fair partnership to serve their constituents.

This is a picture that captures the values of Albertans - values that have shaped the province and its unique place in Canada over the previous century.

To realize this vision, to make this picture come to life, the government has identified four areas of focus - four opportunities:

- Unleashing innovation
- Leading in learning
- Competing in a global marketplace
- Making Alberta the best place to live, work and visit.

This plan discusses those opportunities in detail and lays out ideas for seizing each of them.

THE PLAN

Over the next 20 years, Alberta will be a place of great opportunity - just as Alberta was a place of opportunity a decade ago. Just over 10 years ago - in 1993 - the province faced deficits and mounting debt, complex and unnecessary regulatory systems and a government that had become too big. Albertans had an opportunity to make things better. Albertans and their government developed a plan to capture those opportunities by eliminating the deficit and paying down the debt, removing taxes and regulations that impaired business competitiveness, and refocusing the role of government from direct intervener to partner and facilitator. By following the plan - 10 years later - Albertans and their government have created the Alberta Advantage.

Today's opportunities are different than those 10 years ago, but the approach remains the same. With a solid plan and a commitment to following it, Albertans and their government can build on the solid foundation created over the past decade.

This plan looks at the boundless opportunity that Albertans enjoy. Building on today's foundation, this plan focuses on strategies for achieving a future that Albertans, their children and their grandchildren can look forward to today.

The plan is based on four key opportunities or "pillars". Each opportunity is presented separately, but they are interwoven and interdependent. Each complements the other - and success in seizing one opportunity will lead to success in seizing the others.

Opportunity 1: Unleashing Innovation

Over the past 10 years, Alberta's economic growth has been unparalleled. Fuelled by higher than expected oil and natural gas prices, annual economic growth has been consistent and strong.

While natural-resource-based industries will continue to play a vital role in the provincial economy for many years to come, the province can't continue to rely on high natural resource prices forever. Alberta's economy must expand from its natural resource base, enhance the value of manufactured goods and business services produced, and venture boldly into bio-technology and the life-sciences, nano-technology and other research and development opportunities in order to achieve exceptional growth.

The Alberta government has developed "Securing Tomorrow's Prosperity" to achieve the economic component of the government's business plan. It is a market driven, value-added strategy with a long-term vision to upgrade primary resources, expand manufacturing, develop business services and foster knowledge based sectors. It is also focused on the growth of a competitive and innovative value-added and business services *industry*.

Achieving the New Economic Promise: A Knowledge-Based Approach

A knowledge-based approach doesn't mean abandoning Alberta's traditional strengths - it means building more value into our traditional goods and services in order to achieve greater returns in the international export market. It also means using technology to make the most effective use of limited resources to get the best value and return for Albertans and using the strong base of information technology and life sciences to lead in the development and production of new knowledge based products.

Over the past decade, the provincial government has made great strides toward encouraging a broader economic base. Alberta's strong fiscal position and favourable personal and corporate tax rates have transformed Alberta into Canada's economic powerhouse. And the elimination of needless government regulation has positioned Alberta as a business-friendly province.

Having a high quality of life characterized by a clean environment, valued cultural and recreational opportunities, safe and caring communities, great health care, outstanding educational opportunities, and a fair and safe work environment has made Alberta a desirable place to live and do business. Our 21st century society, where Albertans have roots all over the world, provides yet another advantage - windows to the world.

The results have been impressive. Many large companies have invested and expanded operations in the province over the last decade, and Alberta has been cited as the province in which to locate small businesses. The province's service and retail sectors have shown remarkable growth and strength. Alberta companies, large and small, are trading and providing services all over the world. Alberta's labour force is the most productive in Canada. The province has also become a national leader in research and technology. In 2004, Alberta is still known in large part for its oil fields, productive farms, and sprawling ranches. But it is also known for its medical and engineering research, its world-leading education system, its retail growth, and its technological innovation.

Great strides have been made, but there are further opportunities.

One area where more success awaits is in the field of **technology development and commercialization**. Alberta's low business taxes attract many established businesses to the province. The availability of research funding means that significant new technologies are consistently created in Alberta. But there is a desire to develop the capacity for research and a need to bridge the gap between basic research and applied technology. Alberta scientists and technology entrepreneurs need the opportunity to develop and commercialize their products here and sell them to consumers in Alberta and around the world. Often, breakthroughs discovered in Alberta are being developed elsewhere. The talent that developed them, and the opportunities to be derived, sometimes leave with them. The province needs to encourage technology commercialization and use within Alberta's borders.

In order to accomplish this, the Alberta government will develop mechanisms to encourage innovative companies to develop Alberta technologies into saleable products. This will require innovation and collaboration among governments, research institutions, entrepreneurial researchers and businesses.

Another factor in spurring technology commercialization is the availability of venture capital. The Alberta government will work with the technology sector and the investment industry to identify and implement competitive mechanisms and frameworks to encourage investment and increase access to venture capital within the province. Alberta companies attract significant capital to the traditional economy. The province must develop the expertise and structures necessary to migrate to the new opportunities in knowledge based emerging industries.

Focusing on our Strengths

Taking a knowledge-based approach will help Alberta's economy grow. But Alberta's traditional strengths in energy, agriculture, forestry and tourism cannot be forgotten.

The provincial government has made great progress in encouraging the development of the province's traditional resource-based industries. The tax and royalty systems have been used to spur record investment in Alberta's oil sands. Alberta's natural gas resources have been further upgraded through the expansion of the petro-chemical manufacturing base. Research initiatives, business risk management tools and disaster assistance programs contribute to the viability of the agricultural sector. And wise stewardship of our forest resources has stimulated growth in the forestry industry.

However, declining long-term commodity prices, trade barriers and finite resources mean significant effort will be required to ensure Alberta's traditional industries continue to flourish. As well, using the province's resources wisely is essential to preserving their vital place in Alberta's economy and quality of life.

Alberta's **oil sands** are the second-largest deposit of proven oil reserves in the world, next to Saudi Arabia. The orderly development of these reserves is vital to Alberta's future economic prosperity, and key to a stable, secure supply of energy for North America in the 21st century.

The provincial government will ensure its tax and royalty structures return fair amounts to Albertans while encouraging oil sands expansion.

The government will also continue to increase its investment in research aimed at finding better, more innovative ways of extracting oil from the oil sands. For example, technology that would reduce the use of natural gas in oil sands production processes will be explored.

Another vital resource to Alberta is **natural gas**. Though abundant, Alberta's natural gas reserves are not unlimited. Albertans must find ways to improve natural gas recovery and use natural gas more efficiently and effectively.

Towards this goal, the government will actively encourage the extraction of coal bed methane - a valuable source of natural gas in coal, but one that is more difficult to extract. Natural gas in coal is an important resource that has the potential to offset declining conventional natural gas reserves - just as oil sands production is offsetting the decline in production of Alberta's conventional oil reserves.

The Alberta government will consider further investments in research to turn carbon dioxide into a marketable product. Development of new technologies and the construction of a carbon dioxide pipeline could mean that carbon dioxide becomes a valuable resource in the extraction of conventional oil or natural gas in coal (coal bed methane). Such uses would also reduce greenhouse gas emissions from Alberta's oil sands.

The government will focus its efforts to ensure the northern natural gas pipeline can feed the demand for natural gas that is required to operate Alberta's oil sands production capacity.

Alberta is also fortunate to hold vast amounts of **high-quality coal**. The government will continue to invest in and promote research into making Alberta's already clean coal into an even more environmentally-friendly source of energy.

The Alberta government will stimulate new petrochemical investment by working with industry to develop new feedstock supplies through integration with oil sands upgrading and processing.

The Alberta government will lead the way in green power. The government has been a leader in the use of green power to operate its own infrastructure - by 2005 over 90% of electricity used in government owned buildings will be from green power. Following this lead, the government will develop measures to encourage private-sector investment in green power technologies.

And finally, the provincial government will help the **forestry and agriculture industries** to expand the value-added component of these industries and provide customers with high-quality, safe, and nutritious foods and value-added forest products. For example, through its Life Sciences Strategy, the government will continue to help build on the province's research and innovation strengths in key sectors such as agriculture, energy, environment, forestry, health, and information and communications technology.

Using Natural Resources Wisely

The heart of Alberta's economic success is its blessing of natural resources. The province's natural resources, however abundant, are not infinite. Alberta is witnessing the decline of conventional oil and gas reserves as well as significant pressure on its water supplies, especially in southern Alberta.

Over the past two decades, great accomplishments have been made to take advantage of Alberta's natural resources for the benefit of all Albertans. Development of the oil sands has created an enormous supply of increasingly economical oil that Alberta can supply to North America and the world. Alberta's natural forests have been harvested in a sustainable and environmentally responsible way. The province's landscapes support increasing recreation and tourism.

But with finite resources, Albertans must make sure that these resources are always put to the best possible long-term use.

Toward this goal, the provincial government will ensure that the **province's land base** is used as effectively as possible, recognizing traditional and different possible users, for the benefit of all Albertans. The government, in consultation with Albertans, will develop a comprehensive land use policy for the province.

With finite water supplies, Alberta's economy needs a long-term approach to **water allocation**. The provincial government has developed a comprehensive water strategy. This strategy will ensure that Alberta's natural environment is preserved, with water allocated to those who will use it for its most valuable purpose over the long term. Alberta's conventional oil and gas reservoirs have significant volumes that can be extracted using enhanced recovery techniques. To obtain the most possible from our finite resources, the provincial government will develop an enhanced recovery strategy to extend the life of these resources.

Overall, a thriving Alberta economy requires a system in which the competition for finite resources is always decided in favour of Albertans as a whole. The provincial government's job is to make sure that competing interests are managed for the benefit of all Albertans. Such interests could be oil sands development balanced with natural gas production, tourism development, agricultural use, forestry production, or recreational use. The Alberta government will develop a comprehensive framework and policy to guide future resource allocation decisions - decisions that will be made with input from Albertans and that achieve a balance among economic, environmental and social priorities.

Opportunity 2 - Leading in Learning

At the heart of self-reliance, and at the heart of any person's success, is his or her desire to learn. Whether they're in school, learning on the job, or volunteering in their communities, Albertans lead the nation in their desire to learn and improve. They have proven that learning is important to them regardless of age or circumstances. They know that knowledge is at the heart of independence. They have made it clear that, for them, learning opens doors not only to careers, but also to personal enrichment and fulfillment. And they want, for their children, the opportunity to be the best they can be, knowing that education is the best investment they can make to help their children achieve their true potential.

Government's role is to ensure an excellent learning system that meets the needs of learners, society and the economy. Participation in post-secondary education is a shared responsibility of learners, parents and the government. The learning system must support the development of the province's human capital to ensure Alberta is a leader in the knowledge-based world.

Albertans know that investment in education, and supports to ensure a child's readiness to learn, is a direct investment in the province's future. For government, the goal for the basic **education system** is to give students of all ages the opportunity to excel and to achieve their full potential. Recognizing cost pressures on Alberta's schools during a time of great growth, the government created the Alberta Commission on Learning to conduct a full review of the basic K-12 school system. The Commission's recommendations are being studied carefully and acted upon where possible by government as it works to ensure that the education system is affordable and properly funded over the long term, while meeting the needs of all Alberta students.

For many people, formal education does not end with Grade 12. Alberta is among Canada's leaders when it comes to the proportion of the population that pursues lifelong learning opportunities. Government's job is to make sure that opportunities for post-secondary learning are accessible and affordable. That will mean increased investment to expand learning opportunities to create more spaces at Alberta's universities, colleges, and technical institutes.

Education helps individuals achieve their goals. Equally important is that education helps the province prosper. The Alberta of 2025 will require well-educated, well-trained people to comprise a **skilled workforce** to keep a strong and changing economy vibrant. The provincial government has a significant role to play in making sure all Albertans are ready to fill the jobs of tomorrow. This includes knowledge workers as well as skilled trades and technical workers.

The government will also look at ways to promote full participation in the labour market. For example, the provincial government, in partnership with industry, Aboriginal communities and other jurisdictions, will develop new strategies to help Aboriginal people train for, enter, and stay in the workforce and participate fully in the economic opportunities of the province.

Making sure Alberta's workers have the skills to fill the jobs of the future is important, but it is not the whole solution. The Alberta government will take steps to attract skilled workers from outside the province, which could include a made-in-Alberta immigration policy that focuses on skilled immigrants. Government also needs to be sure that immigrants to Alberta get full recognition for the professional qualifications they bring with them so that they can make the greatest possible contribution to the province. These new strategies will help position Alberta more competitively in the global market, supplement the province's future supply of skilled workers, and ensure full participation in Alberta's communities.

Opportunity 3 - Competing in a Global Marketplace

Because Alberta is a major exporter of goods and services, an important strategy for the government is to **ensure reliable export markets**. Alberta individuals and companies export their goods and services across Canada, North America and the world. Alberta's relatively small domestic market means that its future economic prosperity will rely on exports and dependable export markets.

Seamless access to the United States, Alberta's largest and most important trading partner, is essential. Alberta will work with the federal government to examine the feasibility of a customs union with the U.S. A customs union would result in common border practices, harmonization of trade policies and regulations, and an end to the use of trade remedies within North America. A customs union will strengthen Canada's overall trade relationship with the U.S. and reduce interruptions to Alberta's access to U.S. markets.

The Alberta government is also committed to maintaining and improving its relationship with the U.S. An Alberta office will be established in Washington, D.C., to ensure Alberta's interests are promoted within the U.S.

Protecting what Albertans achieve is vital to stimulating continued economic strength. Alberta is an important member of Confederation. Albertans are proud Canadians who believe strongly in their country. But Alberta's interests are not always taken into account by the federal government. Federal programs and policies sometimes have a negative effect on Albertans and the Alberta economy.

The provincial government will continue to work to ensure Albertans are treated fairly within Confederation. The province will work with other provinces to make sure the federal government respects provincial jurisdiction and is unable to take measures that would hurt Alberta's economy or Albertans' quality of life. This includes ensuring regular First Ministers' meetings with the federal government, provincial participation in international negotiations that affect provincial interests, and working toward a Triple E senate.

The government will also work to ensure that external influences don't jeopardize Alberta's ability to benefit from its invaluable natural resources, such as oil, gas and coal. Resisting the Kyoto protocol and raising concerns about its implementation is one example where the Alberta government has and will continue to protect Alberta's interests.

The Alberta government will carefully consider all measures that could be taken to ensure provincial interests are protected within Canada and abroad.

Alberta's **agriculture industry** - a cornerstone of Alberta life through the province's first century and even before that - is under pressure from various sources. Generally declining commodity prices will continue to put pressure on all sectors of the industry. Market access in the face of BSE disease has caused significant harm to Alberta's beef industry. These impacts, combined with severe weather and dry conditions continue to threaten other sectors as well.

The provincial government will combat the negative forces affecting the agriculture industry through a variety of measures. The government will work to ensure access to foreign markets by strengthening relations with U.S. and by ensuring Alberta's meat inspection processes are the best in the world. Government will ensure its water and land use policies allow the industry to prosper. It will continue to invest in research that is directed at improving the efficiency of agricultural operations, and ensure that value-added products are exported at their highest development potential.

In the area of **forestry**, Alberta's forestry industry is facing external pressure due to U.S. countervailing duties. The Alberta government is committed to strengthening relations with the U.S. in order to resolve current issues and avoid future problems from arising. Again, a customs union and an Alberta presence in Washington are two areas of focus. Alberta will also support technological development to maximize the export potential and value of forestry products.

The government will also promote **tourism** development through its comprehensive land use policy and by telling Canada, North America and the world about Alberta's spectacular tourist destinations.

A leading economy requires leading public **infrastructure**. Modern infrastructure is essential to attract investment and skilled workers. Efficient electric transmission lines and oil and gas pipelines, well-equipped health facilities, good schools and post-secondary facilities, high quality water systems and safe and modern roads are key factors to a strong economy. The government will continue to work with local governments, economic development authorities, industry and others in the community to ensure the right infrastructure is available on a timely basis to support economic and demographic growth.

Over the past 10 years, spending on infrastructure has often depended on available resources. Capital projects have sometimes been delayed as a result of unexpected declines in revenues.

In 2003, the Alberta government took steps to eliminate the deferral of capital projects through the establishment of the capital account and the sustainability fund. The government will continue to place a priority on planned, stable capital expenditures through the use of these mechanisms. Government will also ensure that funds are available for timely maintenance and preservation of its capital assets and will take advantage of new approaches to funding capital projects, such as public-private partnerships. Alternative financing options will only be used if they make economic sense and if they get new infrastructure on-stream efficiently and quickly.

In order to remain globally competitive, Alberta must also work towards continued improvement in its **productivity**. The removal of unnecessary legislative impediments, a competitive tax system improvements in workplace health and safety, positive labour-management relationships and the development of new technologies will enhance the productive competitiveness of Alberta industry.

In 2003, a study by a Canadian financial institution named Alberta as the best province in Canada in which to start a small business. The Alberta government will continue to support an environment in which **small businesses** can succeed. This means keeping taxes low and eliminating unnecessary rules and regulations. Albertans - always innovative, always willing to take risks - will do the rest themselves.

Opportunity 4 - Making Alberta the Best Place to Live, Work and Visit

Albertans have come to expect high-quality social programs and services - and the Alberta government has always committed to providing them. This commitment to delivering high quality, affordable services to Albertans will not change.

Over the next 20 years, Albertans and their government will face some significant challenges to improving upon the high quality services Albertans expect. For example, the real cost of providing quality health care will continue to grow. Over the past 10 years, per-capita health costs have outpaced inflation and economic growth. Albertans know that constantly pouring higher and higher amounts of total government revenue into health care does not guarantee the sustainability of the system; it threatens it.

Similarly, the cost of providing Alberta students with a quality education and support services to children and families is also rising. Finally, as the population ages, pressures on health and related services, including the cost of new drugs and technologies are expected to increase.

The nature of the challenge to improve services is two-fold: government must make sure that its revenues are sufficient to meet the costs of these programs; and government must take steps to keep these programs affordable and sustainable without sacrificing quality.

Ensuring Adequate Revenue

The Alberta government has taken some significant steps over the last decade to make sure adequate revenues are in place to fund programs and services. A fair, sustainable low-rate personal tax base was established and a sustainable business tax regime was developed. The sustainability fund was created to smooth out the fluctuations in resource revenues, resulting in predictable program funding from year to year. Most importantly, paying down the provincial debt has freed up funds for programs and services -

funds that would otherwise have gone to debt-servicing costs.

But declining long-term natural resource royalty revenues mean the Alberta government must take additional steps to ensure revenues are adequate to meet Albertans' expectations. The Alberta government will develop a royalty and tax regime that will assist in reducing its reliance on traditional resource royalties.

The Alberta government will continue to eliminate Alberta's remaining accumulated debt - freeing up additional funds for future strategic investments - and will examine ways to protect the real value of the Alberta Heritage Savings Trust Fund, ensuring that future generations continue to enjoy its benefit.

Improving Services for Tomorrow's Albertans

To ensure Albertans can continue to enjoy the level of services that are currently provided and enhance services in other areas, innovative ways of funding and delivering programs, and reducing costs where possible, are required.

The Alberta government has taken significant steps to improve the efficiency, effectiveness and economy of program and service delivery over the past 10 years. For example, administrative costs for health care have been significantly streamlined. Providing some publicly-funded health services in modern, private clinics rather than expensive hospital settings, and using new drugs and technologies, have improved patient service. Programs such as the "Health Link" initiative provide new ways for Albertans to access health services quickly.

The provincial government has also improved service delivery through the development of a well educated, service oriented, innovative and motivated public service.

But even with the improvements over the past ten years, new methods of program delivery and funding are required. Government must remain responsible for setting policy and monitoring outcomes to ensure the desired results are achieved. Programs should be delivered by those best able to deliver them effectively and efficiently whether that is government, the private sector, non-governmental organizations or a combination.

Health care is an issue on the minds of most Albertans when they contemplate the province's future. The Alberta government will lead the country in implementing innovative ways of financing and delivering services. Working with health providers, the government is building on the recommendations in A Framework for Reform (often called the "Mazankowski Report") to promote healthy living and wellness, and make services more efficient and accessible for all Albertans.

The Alberta government will evaluate alternative ways to finance programs not covered by the *Canada Health Act*, such as long-term care, and look at cost-sharing approaches to a wide range of services.

The Mazankowski Report also emphasizes the priority Albertans must place on being healthy and taking responsibility for their own health. As well, there is an important emphasis on recognizing the impact of health research and technology on the community as an economic driver - a benefit not just a cost.

Services to Alberta's children are not only an important service to those in need; they are an investment in the human potential of the province. Getting a healthy start in life is critical to the success of Alberta's children and the realization of Alberta's vision for 2025.

The Alberta government will continue to place a priority on children's services, especially those services that are designed to enable Alberta's children to succeed at learning. Significant priority will be placed on programs that promote early childhood development and other prevention strategies to support families in promoting the optimal development of children. Overcoming barriers to success at an early age will help children achieve and help society avoid the cost of lost potential. Community partnerships provide leadership in helping young Albertans succeed.

Helping those in need is essential to Alberta's success. More importantly, Albertans want to be sure that fair and compassionate programs are available for those who need some support. The government will continue to support its seniors through income and other supports that allow seniors to remain independent and enable seniors to continue to contribute to their communities.

Non-participation in the province's economic and community life can result in limited opportunity and contribute to poor health status. Children from low-income families may not enter school ready to learn. Aboriginal children and communities may require support to ensure the gap is closed between the socio-economic status of Aboriginal and non-Aboriginal Albertans. Children from new Canadian families may face literacy challenges in the home as well as a lack of training in English as a second language. Persons with disabilities and seniors may face financial challenges, access to affordable housing or lack necessary supports for independence.

The Alberta government will encourage initiatives that assist families and support children to realize their potential, enhance the participation of Aboriginal peoples in the Alberta economy, and ensure that seniors and Albertans with disabilities enjoy adequate incomes and the supports necessary for independence.

The government will also ensure that quality public **infrastructure**, such as high quality health facilities, contemporary and well-equipped educational institutes, good schools, and safe and modern roads are efficiently and affordably built and maintained.

Continuously Improving Quality of Life

Taking advantage of Alberta's opportunities for economic growth and improving public services is about enhancing Albertans' overall quality of life. The stimulation of Alberta's economic growth will enable the province to fund essential services, which in turn helps create a high quality of life.

But quality of life is more than a growing economy and good social programs. It's also about people being able to realize their dreams, feeling safe in their homes and on their streets, knowing their natural environment is protected, and being enriched by cultural, sport and recreational opportunities in their neighbourhoods. The Alberta government is committed to making investments that contribute to all of these forces that comprise the overall quality of life for all Albertans.

Strong municipalities are an essential part of a strong Alberta. The provincial government will continue to work toward enhancing its relationships with its local governments - ensuring that the roles and responsibilities of local governments are well defined so that these governments can continue to be responsive to the needs of their communities and remain financially strong and viable.

Vibrant **rural communities** are also essential to the province's economy and overall quality of life. The Alberta government will implement a rural development strategy that assures dynamic rural communities where rural and urban families, individuals, organizations, businesses and governments are contributors to the growth, prosperity and quality of life of Albertans. The SuperNet provides an electronic highway to all communities, making it more viable for businesses and individuals to compete globally from rural areas. Health services and educational opportunities will be enhanced by new technologies, and sparcity and distance funding will be reviewed to ensure basic services are retained or developed appropriately. The economic opportunities of the Calgary-Edmonton corridor can be distributed more widely with appropriate infrastructure.

Safe communities are critically important to the well-being of Albertans and their children.

The Alberta government will continue to invest in Alberta's communities to make them among the safest in North America. Government will focus on the continued reduction of violent crime by improving its commitment to policing, and getting tougher on those who commit violent offenses. Increased funding will be considered for community policing programs.

The government will play a leadership role in establishing a more responsive justice system by focusing on preventative strategies, expanding the availability and scope of dispute resolution options and using technology to facilitate access to justice services. The Alberta government will help build safer communities by involving the communities themselves, along with the private sector, families, and individuals. It will also continue to pressure the federal government to take tough positions against violent crimes and those who commit them.

Safety is not limited to protection from crime. Albertans need to feel safe in their homes, at work and at play. To provide this assurance, the government supports programs and initiatives for safety standards, injury prevention and safety on our streets, promoting partnerships wherever possible.

World events have highlighted a need to provide security from threats of a global nature. The Alberta government will continue to focus on preparing for, responding to and recovering from major emergencies and disasters at the provincial and local levels.

A **clean natural environment and a vibrant cultural mosaic** are other key components of ensuring a high quality of life.

This includes ensuring Alberta's natural areas remain unspoiled and protecting the quality of Alberta's air, lakes and rivers. The Alberta government will place a priority on Alberta's quality natural environment by developing a framework for maintaining its existing natural areas. The implementation of the government's new water strategy will provide for the continued high quality of Alberta's lakes, rivers and streams and will also address water conservation challenges.

The Alberta government will develop short- and long-term strategies that encourage innovative, creative solutions to take effective action on climate change and ensure a balanced and sustainable approach to growth and industrial and resource development.

Alberta's vibrant artistic and cultural mosaic not only enriches the lives of all Albertans, it opens the doors to more international trade opportunities. The Alberta government is committed to enhancing the province's cultural diversity and recreational resources by developing a long-term strategy to assist communities to focus investment according to community priorities.

Albertans value their **personal and economic freedoms**. Over the past 10 years, the provincial government has continuously reviewed its programs, policies, regulations and legislation to make sure it is not needlessly interfering in the lives of Albertans.

The Alberta government is still dedicated to limiting the role of government. This requires a continuous commitment to review its programs and end government involvement in areas that can be better delivered by others. Government must also ensure that it does not needlessly provide services that ought to be the responsibility of individual Albertans. The Alberta government will continue to review its regulatory systems to ensure that Albertans are not over-regulated and businesses can continue to thrive. If it finds laws or rules that make no sense, it will abolish them.

CONCLUSION: BUILDING ON ALBERTANS' SELF-RELIANCE

This plan for Alberta's future is built on a truly Albertan characteristic - a dedication to strong individuals within strong communities. Certainly, it's a principle that has shaped government planning during the last decade. Over the past 10 years the Alberta government worked to reduce the role, scope, and cost of government, while building the capacity of communities to achieve their own goals. In pursuing economy, efficiency, and effectiveness some public services were privatized, for example liquor retailing, while others were opened to alternative service delivery, for example highway maintenance contracts. Individual Albertans were challenged to become independent from income support programs and communities were challenged to become more self-reliant in economic development.

Today, we know that the most aggressive pursuit to improve the economy, efficiency, and effectiveness of public programs alone, is not sufficient to assure that needed services are available. Albertans must continue to seek out the best ways to use public services and natural resources. In health, for example, Albertans have proven they're interested in improving their personal health status through better diet and more exercise. Government, working with Albertans, can help them do that while at the same time reducing pressure on the health system.

In fact, working with Albertans is essential to everything the government will do to achieve the goals laid out in this plan. The Alberta of 2025 envisioned by the government is a province built on Albertans' values - values that shaped the province through its first century.

People across Canada and around the world know what Albertans' values are. Compassion. Respect - for the rights of each Albertan, for the province's diversity, and for the natural environment. Commitment to making the province better. Helping each other out. Accountability from government. Maximizing opportunity. A pioneering and entrepreneurial spirit, with a willingness to take risks and embrace new technologies. Strong leadership - strong leaders who will listen, make decisions and take action to protect our high quality of life. And, at the heart of all these values: freedom and self-reliance, the desire to manage their own lives - the belief that people can and should determine where their lives go and how their families are to be raised.

These values and what they have helped to build are Alberta's legacy. An Alberta of the 21st century, still steeped in these values but shaped by the opportunities of tomorrow - that's Alberta's promise.

Cross-Ministry Initiatives and Medium-Term Strategic Plans

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Cross-Ministry Initiatives and Medium-Term Strategic Plans

The cross-ministry initiatives and medium-term strategic plans focus on corporate priorities, often involving more than one ministry. They are carried out over a timeframe of up to 10 to 15 years and are part of the continuum between the 20-Year Strategic Plan and the 3-Year Government Business Plan.

Cross-Ministry Initiatives are areas of special importance to the government that because of their nature, cut across ministries and therefore require a "corporate" system-wide approach. The 2004-07 policy initiatives are: the *Aboriginal Policy Initiative*, the *Alberta Children and Youth Initiative*, the *Economic Development Strategy*, and the *Health Sustainability Initiative*.

The *Aboriginal Policy Initiative* provides a mechanism for cross-ministry co-ordination to address the commitments in the Government of Alberta's Aboriginal Policy Framework. The two long-term goals are individual and community well-being and self-reliance; and clearer federal, provincial and Aboriginal roles and responsibilities.

The *Alberta Children and Youth Initiative* supports the healthy development of Alberta's children and youth through the joint efforts of provincial government ministries, local authorities and boards, families and communities.

Alberta's *Economic Development Strategy* focuses on a future of opportunity in Alberta that's unmatched. It aims to achieve a more sustainable, broadly based economy, vibrant and sustainable rural communities and a sufficient supply of human capital to meet Alberta's needs.

The *Health Sustainability Initiative* demonstrates government commitment to sustaining a publicly funded health care system that meets the needs of Albertans now and in the future.

Medium-Term Strategic Plans include those plans in policy areas with a longer-term focus of up to 10 to 15 years and often involve more than one ministry.

Cross-Ministry Initiatives

**PRIORITY
POLICY
INITIATIVE**

Aboriginal Policy Initiative

The Aboriginal Policy Initiative (API) provides a mechanism for cross-ministry co-ordination to address the commitments in the Government of Alberta's Aboriginal Policy Framework (APF). The APF has two long-term goals: 1) individual and community well-being and self-reliance; and 2) clearer federal, provincial and Aboriginal roles and responsibilities.

The API contributes to the following Government Business Plan Goals:

- Goal 1 - Albertans will be healthy
- Goal 2 - Albertans will be well prepared for lifelong learning and work
- Goal 3 - Alberta's children and youth will be supported in reaching their potential
- Goal 5 - Aboriginal communities and people in Alberta will have improved social and economic circumstances
- Goal 7 - Alberta will have a prosperous economy
- Goal 9 - Alberta will be a fair and safe place to work, live and raise families

The API began in 2000-01, in recognition that Aboriginal issues are complex and cut across the mandates of many provincial ministries. Approval of the APF in September 2000 provided a policy context for all Government of Alberta ministries to address Aboriginal issues. Continued development of collaborative partnerships, involving government, Aboriginal and other partners, is one focus of the API for 2004-05.

In addition to the champion ministries of Aboriginal Affairs and Northern Development, Justice and Children's Services, other partnering Ministries involved in the API are: Health and Wellness (with the Alberta Alcohol and Drug Abuse Commission and the Alberta Mental Health Board), Energy, Transportation, Human Resources and Employment, Learning, Sustainable Resource Development, Community Development, Solicitor General, and Economic Development. Other Alberta ministries are also involved in addressing Aboriginal issues and participate in specific initiatives.

There are four objectives for the API 2004-05. API partnering ministries contribute to these objectives, participate in other cross-ministry initiatives and facilitate Aboriginal involvement in development of other provincial strategies and programs. In addition, many Alberta ministries are involved in specific projects with Aboriginal communities/organizations, the federal government and other partners.

Aboriginal Policy Initiative

PURPOSE: To improve the well-being and self-reliance of Aboriginal people and clarify federal, provincial and Aboriginal roles and responsibilities.

RELATED GOVERNMENT BUSINESS PLAN GOALS:

Goal 1 - Albertans will be healthy
Goal 2 - Albertans will be well prepared for lifelong learning and work
Goal 3 - Alberta's children and youth will be supported in reaching their potential
Goal 5 - Aboriginal communities and people in Alberta will have improved social and economic circumstances
Goal 7 - Alberta will have a prosperous economy
Goal 9 - Alberta will be a fair and safe place to work, live and raise families

MINISTRY CHAMPIONS: Aboriginal Affairs and Northern Development, Justice, Children's Services

OBJECTIVE: **Improve the health status and well-being of Aboriginal people.**

STRATEGIES:

- Work with regional and Aboriginal community partners to promote wellness and improve access by Aboriginal people to provincial primary health care services, including diabetes and HIV programs, tobacco prevention and reduction, and community-based health care.
- Support Aboriginal youth through leadership development and mentoring programs.

TARGETS:

- Implement 52 new Aboriginal wellness initiatives.
- Initiate *FireSmart* projects in 15 Aboriginal communities.
- Provide 60,000 participant hours in recreation, sport and arts through the Alberta's Future Leaders program.
- Increase number of mentors in Aboriginal Youth Mentoring pilot project sites by 15%.

OBJECTIVE: **Support lifelong learning opportunities for Aboriginal people and promote appreciation of Aboriginal cultures.**

STRATEGIES:

- Work with Aboriginal and learning system stakeholders to implement the *First Nation, Métis and Inuit Education Policy Framework* to improve outcomes for Aboriginal learners.
- Support initiatives to promote increased appreciation of Aboriginal cultures and infusion of Aboriginal content into provincial programming.

TARGETS:

- Increase percentage of Aboriginal Albertans aged 25-34 completing high school and post-secondary programs (establish baseline data).
- Provide 20 additional teacher training spaces for Aboriginal learners.
- 75% of 500 Provincial employees that participated in cultural awareness training report a better understanding of Aboriginal issues.
- Establish 5 new Aboriginal Junior Forest Ranger crews.

OBJECTIVE: **Increase the participation by Aboriginal people in the Alberta economy.**

STRATEGIES:

- Work with government, Aboriginal and private sector partners to improve employment and entrepreneurial opportunities for Aboriginal people in Alberta.
- Work with government and Aboriginal partners to improve Aboriginal awareness of career, learning, training, employment, and entrepreneurial opportunities.

TARGETS:

- Percentage of participants in First Nations Training to Employment Program employed post-intervention. Measure under development.
- Implement ongoing Aboriginal-specific Labour Force Survey and develop baseline data.
- Develop Aboriginal Workforce Participation Initiative project with Provincial, Federal, Aboriginal and private sector partners.
- Complete SuperNet build to eligible First Nations (42) wanting service (eligible First Nations are those with provincial learning institutions or health facilities).

OBJECTIVE: **Clarify federal/provincial/Aboriginal roles and responsibilities.**

STRATEGIES:

- Support collaborative projects to define federal/provincial/Aboriginal roles and responsibilities and facilitate benefits to Aboriginal communities.

TARGETS:

- Test draft Aboriginal Policy Checklist in selected Alberta ministries.
- Develop, with Aboriginal communities and industry, cross-ministry guidelines for Aboriginal consultation regarding resource development and land management.
- Support 5 traditional use studies in Aboriginal communities.

Alberta Children and Youth Initiative

The Alberta Children and Youth Initiative (ACYI) is a collaborative partnership of government ministries working together on issues affecting children and youth. The ACYI supports the healthy development of Alberta's children and youth through the joint efforts of provincial government ministries, local authorities and boards, families and communities. The ACYI contributes to the following Government of Alberta Business Plan goals:

- Goal 1 - Albertans will be healthy
- Goal 2 - Albertans will be well prepared for lifelong learning and work
- Goal 3 - Alberta's children and youth will be supported in reaching their potential
- Goal 9 - Alberta will be a fair and safe place to work, live and raise families

The ACYI arose from the recognition that a coordinated government-wide effort is critical for the effective and efficient support of children, youth, and their families. The development of integrated provincial policies and programs enables local authorities to plan and deliver an integrated system of services to meet the needs of families in their communities.

In addition to ministry champions of Children's Services, Learning, and Health and Wellness (together with the Alberta Alcohol and Drug Abuse Commission and the Alberta Mental Health Board), the following ministries comprise the ACYI partnership: Aboriginal Affairs and Northern Development, Community Development, Human Resources and Employment, Justice and Attorney General, and Solicitor General.

ACYI partnering ministries and regional authorities will work collaboratively to implement initiatives that address the following four priority areas in 2004-05:

- Children and youth will be well cared for, safe, successful at learning and healthy.
- Families with children and youth with special and complex needs (developmental disabilities, physical and sensory disabilities, health conditions and/or emotional/behavioural disabilities) will benefit from integrated and coordinated assessment of needs and planning of services and supports.
- Children and youth are supported and assisted in making successful transitions in their life, from birth to adulthood.
- Ministries and regions increase their capacity to collaboratively plan and deliver services that promote the well-being of children, youth, and families.

In addition to these priority areas, ACYI ministries continue to coordinate and support several other key initiatives, including Fetal Alcohol Spectrum Disorder, Children's Mental Health, Protection of Children Involved in Prostitution, Student Health Initiative and Early Childhood Development.

Alberta Children and Youth Initiative

PURPOSE: Support the healthy development of Alberta's children and youth through the joint efforts of provincial government ministries, local authorities and boards, families and communities.

RELATED GOVERNMENT BUSINESS PLAN GOALS:

Goal 1 - Albertans will be healthy
Goal 2 - Albertans will be well prepared for lifelong learning and work
Goal 3 - Alberta's children and youth will be supported in reaching their potential
Goal 9 - Alberta will be a fair and safe place to work, live and raise families

MINISTRY CHAMPIONS: Children's Services, Learning, Health and Wellness

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OBJECTIVE: **Children and youth will be well cared for, safe, successful at learning and healthy.**

STRATEGIES:

- Implement initiatives that provide a range of health, social, and learning programs and services that ensure children and youth will be well cared for, safe, successful at learning and healthy, including an integrated response to family violence and bullying, continued support for early childhood development and positive parenting skills, and prevention of sexual exploitation of children and youth.

TARGETS:

- Development of provincial prevention and protection strategies to better support children and youth who are exposed to family violence.
- Phased implementation of a strategic plan for the prevention of sexual exploitation of children and youth, including implementation of an integrated child and youth sexual exploitation unit.
- Parent Resource Centres established in areas of critical need across the province.
- Percentage of Alberta children demonstrating healthy social and emotional development (maintain or improve level in relation to national average).

OBJECTIVE: **Families with children and youth with special and complex needs (developmental disabilities, physical and sensory disabilities, health conditions and/or emotional/ behavioural disabilities) will benefit from coordinated assessments of needs and integrated planning and delivery of services and supports.**

STRATEGIES:

- Continue implementation of the *Policy Framework for Services for Children and Youth with Special and Complex Needs and their Families* in collaboration with other related initiatives, such as the Provincial Mental Health Plan, Family Support for Children with Disabilities legislation, and the Learning Commission Report, and improve availability of resource information for families.
- Conduct an inventory of Fetal Alcohol Spectrum Disorder (FASD) programs, including identifying gaps and opportunities, and implement FASD campaigns, to increase awareness of services and initiatives in Alberta, and develop a government-wide strategic FASD plan to address priority areas (target related to alcohol awareness included in *Health Sustainability Initiative*).

TARGETS:

- 80% of families surveyed indicate they were able to access information on available resources through a 1-800 Children's Disability Information Line (connected with Health Link) and resource guides.

- Development of a multi-disciplinary assessment service delivery model in 2 sites (Edmonton and Calgary) to assess needs and plan for appropriate services and supports for children and youth with special and complex needs.
- Development of a cross-ministry strategic approach to address issues related to speech language services such as availability, increased demand and alternative delivery methods.

OBJECTIVE: **Children and youth are supported and assisted in making successful transitions in their life, from birth to adulthood.**

STRATEGIES:

- Inventory and promote current educational, training, and career services and programs that exist for youth.
- Enhance coordination amongst ministries and regional authorities to assist children and their families to move smoothly through the transitions of childhood and adolescence.
- Support Aboriginal communities to address the prevention of youth suicide through continued implementation of the *Aboriginal Youth Suicide Prevention Strategy*.

TARGETS:

- Educational and training resources for youth distributed to 100% of partnering ministries, authorities and boards, and key stakeholders.
- Guidelines developed for people who work with children and adolescents that address key components for effective transitional planning, including educational, social, health, recreation and other required supports.
- 3 pilot communities established to identify and respond to the needs and priorities of communities in addressing the prevention of Aboriginal youth suicide.

OBJECTIVE: **Ministries and regions increase their capacity to collaboratively plan and deliver services that promote the well-being of children, youth, and families.**

STRATEGIES:

- Enhance integrated and coordinated service delivery for children and youth by:
  - i) Developing a regional cross-sector plan in collaboration with regions to assist with local coordination of services and initiatives; and
  - ii) Implementing an Alberta Children and Youth Initiative Advisory Committee to increase the engagement of regions in the planning of cross-ministry initiatives for children and youth.

TARGETS:

- Guidelines developed for 100% of regions that include identification of regional processes, reporting requirements and structures required to assist with local coordination of cross-sector initiatives.
- Regions report involvement in 100% of the planning of cross-ministry initiatives under the Alberta Children and Youth Initiative.

Economic Development Strategy

A collaborative approach to maximizing the Alberta Advantage was initiated in 2000-01 when the Alberta government's new economic development strategy, *Get Ready Alberta - Strengthening the Alberta Advantage*, was first named a priority policy cross-ministry initiative. The strategy has continued to evolve and has remained a priority cross-ministry initiative capturing specific pressing issues requiring a collaborative approach such as innovation, regional economic development and labour force supply and skills.

In recognizing the province's current strengths, anticipating changes and identifying broad strategic directions to capitalize on future opportunities, the Economic Development Strategy as a cross-ministry initiative provides a framework to inform business planning activities from a broader more integrated perspective. The strategy supports Goal 7 of the *Government of Alberta Business Plan* - "Alberta will have a prosperous economy".

The Economic Development Strategy also supports *Today's Opportunities, Tomorrow's Promise: A Strategic Plan for the Government of Alberta.* It recognizes that sustaining the performance of Alberta's economy is not an end in itself but the means by which a province is built, where all citizens have the opportunity to contribute and share in the *Alberta Advantage*. To achieve this, we must create a larger, more sustainable and more broadly based economy than we have today. Without this change in economic strategy, Alberta's economy will remain reliant on resources and fluctuating commodity prices, and it will grow at a slower rate.

Alberta's 2004-05 Economic Development Strategy has three objectives:

- To achieve a more sustainable, broadly based economy built on the strengths of our natural and human resources.
- To build a rural Alberta that has vibrant and sustainable communities.
- To ensure a sufficient supply of human capital to meet Alberta's economic growth.

All of the objectives build on the value-added strategy *Securing Tomorrow's Prosperity. Securing Tomorrow's Prosperity* fits within the long-range *Government of Alberta Strategic Business Plan* and is the "Prosperity" cornerstone to achieve the economic components of the plan. The second objective also encourages rural partnerships and regional cooperation as a driving force for rural growth and sustainability.

Economic Development Strategy

PURPOSE: A future of opportunity in a province that's unmatched through ministries working together with business, industry, communities, other governments and public institutions, employees and other stakeholders.

RELATED GOVERNMENT BUSINESS PLAN GOALS:

Goal 7 - Alberta will have a prosperous economy
Goal 2 - Albertans will be well prepared for lifelong learning and work

MINISTRY CHAMPIONS: Economic Development, Agriculture, Food and Rural Development, Human Resources and Employment, Innovation and Science

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OBJECTIVE: **To achieve a more sustainable, broadly based economy built on the strengths of our natural and human resources.**

STRATEGIES:

Implement the value-added strategy, *Securing Tomorrow's Prosperity*, through collaboration with various stakeholders:

- Enhance Alberta's competitive advantages.
- Build Alberta's innovation system.
- Grow and strengthen small and medium size enterprises.
- Focus on priority value-added sectors.

TARGETS:

- Create 45,000 net new jobs in 2004.
- 10.8% investment in machinery and equipment as a percent of GDP.
- 2.1% increase in manufacturing GDP per hour worked.
- $1.9 billion increase in manufacturing and service exports to $22.7 billion.
- 20.7% share of GDP in manufacturing and business and commercial services.
- Increase investment in sponsored research from all sources at Alberta universities to $492 million.
- 84% of the North-South trade corridor (BC border west of Grande Prairie to Coutts) is open to four-lane traffic.
- $300 million increase in tourism revenues to $5.3 billion in 2004.

OBJECTIVE: **To build a rural Alberta that has vibrant and sustainable communities.**

STRATEGIES:

- Work collaboratively to implement the Rural Development Framework.
- Provide a catalyst to develop and motivate locally-based leadership and development skills.
- Implement a collaborative approach to regional economic development.
- Actively participate in watershed management on a provincial, regional and community basis.
- Support the development of a competitive telecommunications environment in rural Alberta through the implementation of Alberta SuperNet and develop a plan to provide access to users outside rural communities.
- Ensure rural Albertans have access to high quality learning opportunities.
- Facilitate the development of a viable energy from bio-mass industry for the benefit of rural Alberta.

TARGETS:

- Develop baseline data on the satisfaction of rural Albertans with regards to health, education, economic development, community infrastructure and other elements of sustainability.
- Develop an arrangement with federal and provincial partners to deliver the Agriculture Enterprise Program under the Agricultural Policy Framework agreement.

- Eight significant regional economic development projects in rural Alberta benefit from cross-ministry support.
- Establish watershed planning and advisory councils for the Milk, Oldman, Bow, Red Deer, Battle, North Saskatchewan, Cold Lake - Beaver River, and Slave Lake watersheds.
- Alberta SuperNet will be available to 422 communities and 4,656 schools, hospitals, libraries and provincial buildings.
- 33% of adult Albertans in rural areas, aged 17+, participate in education or training.
- An Alberta bio-strategy is developed to identify new bio-mass energy project opportunities and a minimum of 3 projects successfully operating in Alberta by the end of 2004.

OBJECTIVE: **To ensure a sufficient supply of human capital to meet Alberta's economic growth.**

STRATEGIES:

- Continue to develop and implement new actions identified in *Prepared for Growth: Building Alberta's Labour Supply*, to increase the skill and knowledge level of Albertans, the mobility of labour within Canada, and the number of immigrants to Alberta.

TARGETS:

- Increase support to the Aboriginal off-reserve labour statistics study.
- Percentage of participants who indicate their training helped prepare them for future employment (under development).
- 90%+ of Albertans aged 25-34 have completed high school.
- 60% of Albertans aged 25-34 have a post-secondary education.
- The labour force participation rate remains the highest among all provinces in Canada.
- Total net migration to Alberta remains the highest among all provinces in Canada.
- Employer agreement that the learning system provides an adequate supply of graduates: (available in 2004).

Health Sustainability Initiative

The Health Sustainability Initiative demonstrates government commitment to sustaining a publicly funded health care system that meets the needs of Albertans now and in the future.

Alberta's health care system is facing many pressures including growing rates of chronic disease, an increasing and aging population, increasing labour costs, infrastructure priorities and escalating costs for new drugs and technologies. Annually, health consumes an increasing portion of government expenditures. In 1995-96, the spending on health including infrastructure was $3.77 billion; in 2003-04 the combined spending on health is forecast to be $7.65 billion. The 2004-05 budget is $8.41 billion. The rates of growth of the cost drivers, and the subsequent pressures on health care spending, are not sustainable.

Although Alberta Health and Wellness has the lead responsibility for sustaining an affordable, contemporary and responsive health system, it will not be successful without government-wide support and collaboration. The cross-ministry initiative provides the opportunity for government to focus resources on policies and strategies that will address cost drivers and more closely align health expenditures with government revenues.

The Premier's Advisory Council on Health provided government with a blueprint for reform. Subsequent reports, frameworks and strategies have been developed and implemented to bring the blueprint to life. Several highlights provide context for the direction of the Health Sustainability Initiative in 2004-05.

1. **Staying healthy:**

   Chronic diseases such as heart disease, diabetes, cancer and chronic obstructive pulmonary disease, along with injuries, are the leading causes of death and disability in Alberta. These often highly preventable diseases and injuries result in large treatment costs, losses in productivity and quality of life. Estimates show that the annual cost of diabetes to Albertans is in the range of $262 million and that the annual cost of all injuries in Alberta is approximately $1.8 billion.

   The most common chronic diseases are linked by a few risk factors, such as unhealthy diet, lack of exercise, tobacco use and substance abuse as well as other risk taking behaviours. The Premier's Advisory Council on Health report identified the importance of staying healthy, as well as taking action on broader factors that affect health, especially income and education.

   The first objective is to optimize the health of Albertans by reducing chronic disease and injury through comprehensive provincial strategies on physical activity and nutrition, tobacco use, substance abuse and injury prevention. Several Health Sustainability Initiative wellness targets are based on one-year increments drawn from *The Framework for a Healthy Alberta*, which features ten-year targets.

2. **Right service in the right place at the right time:**

   Albertans have made it clear that the health system they want and need provides appropriate health services, where they are needed and when they are needed. Initiatives to improve primary care will play an important role. Expanded community-based alternatives could also reduce pressure on health institutions. The *Healthy Aging: New Directions for Care* (Broda) report and the yet-to-be finalized *Mental Health Plan* support this approach.

3. **Integrated policy options for sustainability:**

   The Premier's Advisory Council on Health also provided guidance on the need to explore options for system sustainability. "Instead of rationing health services…find better ways of paying for the health services Albertans want and need…extract maximum value for every dollar spent on health care in the province. But containing costs, seeking efficiencies, and streamlining delivery of health

> care services may not produce enough savings to sustain the health system over time…Explore and implement a "made in Alberta" approach..."

In addition to the ministry champions Alberta Health and Wellness, Seniors, and Finance, the Health Sustainability Initiative includes Learning, Human Resources and Employment, Infrastructure, Children's Services, Aboriginal Affairs and Northern Development, AADAC, and Public Affairs Bureau.

Health Sustainability Initiative

PURPOSE: To enhance the sustainability of the health system now and in the future by strengthening policy integration and collaboration across Ministries.

RELATED GOVERNMENT BUSINESS PLAN GOALS:

Goal 1 - Albertans will be healthy
Goal 4 - Albertans will be self-reliant and those unable to provide for their basic needs will receive help
Goal 8 - Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada

MINISTRY CHAMPIONS: Health and Wellness, Seniors, Finance

OBJECTIVE: **Optimize Albertans' health by working collaboratively to address factors that influence health.**

STRATEGIES:

- Implement the Framework for a Healthy Alberta to reduce injury and chronic disease by supporting healthier behaviours.
- Support implementation of the Alberta Injury Control Strategy.
- Implement cross-ministry approaches to improve the health status of low-income Albertans and Aboriginal people through appropriate access to health services and by addressing key determinants of health.
- Continued implementation of the *Healthy U Awareness Campaign*, Alberta Tobacco Reduction Strategy, Alberta Diabetes Strategy, Early Childhood Development Initiative, Young Family Wellness Initiatives and Healthy Aging Framework.

TARGETS:

- All Regional Health Authorities will implement strategies to increase health-promoting behaviour, such as increased physical activity, improved eating practices, tobacco reduction and injury prevention, and Young Family Wellness Initiatives that support healthy child development.
- Increase the percentage of women who are aware that alcohol use during pregnancy can lead to life-long disabilities in a child, from 89% to 90%.
- Reduce prevalence of alcohol use during pregnancy among Alberta women from 3.9% to 2.5%.
- Ten Alberta government departments, businesses or other organizations will participate in the Healthy U @ Work program.
- Fifty-five (25%) Alberta villages, towns and cities will participate in the Healthy U Community Choosewell Challenge.
- Fifty-three thousand copies of "English Express," including messages on healthy eating, active living and affordable activity for children, will be distributed free to 1,500 Alberta subscribers including libraries, English as a Second Language programs and adult literacy programs.
- Reduce the percentage of Alberta youth who smoke, from 17.9% to 16%.

- Three Alberta communities, including inner city/low-income communities, will be targeted to increase awareness about type 2 diabetes prevention, developing local resources through promotional activities.
- Increase the percentage of Alberta seniors (65+) immunized for influenza, from 67.6% to 69%, while striving for the target of 75%.

OBJECTIVE: **Increase the use of community-based options for the provision of continuing care and mental health services at the right time and by the right personnel.**

STRATEGIES:

- Improve access and appropriate utilization of continuing care services, expand "healthy aging in place" opportunities and enhance client responsibility and choice for services.
- To enable future cross-ministry engagement and collaboration, review the Alberta Mental Health Plan and assess its implication for departments with responsibility related to mental health, with particular focus on children, aboriginal populations and housing.

TARGETS:

- Continue the shift so more Albertans over 75 years of age receive community-based continuing care services, reducing the ratio of those in institutions from 74.1 per thousand in 2002-03 to 72.0 per thousand in 2004-05.
- Implement a province-wide, seven-day coordinated access system for necessary continuing care services in 2004-06.
- Introduce systematic quality improvement to continuing care services in 2004-06.
- Increase the supply of affordable supportive living in 2004-05.
- Identify alternatives for mental health accommodation, to support and facilitate appropriate shifts from facility-based to community-based delivery models.

OBJECTIVE: **Explore integrated policy options for government to achieve sustainability of the health system.**

STRATEGIES:

- Build cross-ministry capacity to collaboratively identify, analyze and communicate integrated policy options for sustainability.
- Continue integrating health and infrastructure planning to support strategic provincial priorities.
- Improve data and analysis capacity for provincial drug benefit programs, to result in improved management of pharmaceutical financing and pharmaceutical use by Albertans.

TARGETS:

- Develop a cross-ministry plan to identify new opportunities to address health sustainability, including consideration of more effective collaboration for wellness, alternative financing, strategic investment and capital planning.
- Develop baseline data about Albertans at risk of financial hardship from prescription drug expenses.
- Identify strategies to address long-term sustainability of drug programs while providing protection for Albertans against catastrophic drug costs.
- Build an economic model to estimate the cost of drug plan features.
- To support innovation and affordability for chronic disease management programs, affected ministries will develop three agreements with industry to share risks associated with the implementation of costly new pharmaceuticals.
- Develop a collaborative cross-ministry communications strategy.

Medium-Term Strategic Plans

The Government of Alberta has numerous medium-term strategic plans to support the priorities of Albertans. These include:

Climate Change Strategy	As part of its *Climate Change Strategy*, in 2002 the Alberta government released *Albertans & Climate Change: Taking Action*. This is the Province's action plan to reduce greenhouse gas emissions relative to GDP by 50 per cent below 1990 levels by 2020. This strategy includes actions on seven broad fronts: government leadership; technology and innovation; carbon management; energy conservation; alternative and renewable energy; biological sinks; and adaptation.
Securing Tomorrow's Prosperity - Sustaining the Alberta Advantage	*Securing Tomorrow's Prosperity - Sustaining the Alberta Advantage* is a strategic framework to achieve the economic components of the *Government of Alberta Strategic Business Plan*. It is a market-driven, value-added strategy with a long-term vision to upgrade primary resources, expand manufacturing, develop business services and foster knowledge-based sectors. *Securing Tomorrow's Prosperity* is focused on the growth of a competitive and innovative value-added economy.
Rural Development Strategy	The *Rural Development Strategy* will provide a framework that will encourage sustained growth in rural Alberta and create opportunities to foster vibrant rural communities. This strategy aims to provide rural communities with the tools, ideas, models, and know-how to empower them and support the creation of opportunities for their communities.
Water for Life: Alberta's Strategy for Sustainability	*Water for Life: Alberta's Strategy for Sustainability* is Alberta's commitment to the wise management of water now and in the future. The strategy represents a new approach to water management and outlines specific actions to address water quantity and water quality issues. *Water for Life* revolves around three core areas of focus: knowledge and research; partnerships; and water conservation.
Framework for a Healthy Alberta	The *Framework for a Healthy Alberta* intends to reduce injury and chronic disease by supporting healthier behaviours with prevention and promotion programs encouraging Albertans to take greater responsibility for their personal health. Cross-ministry approaches will address the key determinants of health to reduce both injury and chronic disease occurrence. Examples of supporting strategies and initiatives are: *Healthy U Awareness Campaign; Alberta Tobacco Reduction Strategy; Alberta Diabetes Strategy*; and *Healthy Aging Framework*.

Premier's Advisory Council on Health - Implementation

For the last two years, Alberta's health system pursued an ambitious agenda for positive change, based on the recommendations from the Premier's Advisory Council on Health. The commitment to building a better public health care system continues. But, with most recommendations having been accomplished or underway, the focus is now on improving the excellent health system we have by: protecting public health from emerging threats like SARS and pandemic flu; better meeting Albertans' expectations for available, accessible health services; emphasizing primary care; and meeting Albertans' growing expectations for high quality care that protects patient safety.

Alberta Tobacco Reduction Strategy

The *Alberta Tobacco Reduction Strategy* intends to reduce the number of Albertans who use tobacco, especially young people and pregnant women, resulting in a healthier population and lower costs to the health care system. Tobacco use is one of the leading causes of preventable disability, disease, and premature death in Alberta.

Alberta Disability Strategy

The disability community presents a unique set of needs to the government and its service providers. There is an ongoing requirement to develop and maintain disability supports based on consistent and coordinated policies and programs. It is recognized that supporting persons with disabilities is a shared responsibility, which is achieved through a more inclusive and collaborative approach to disability issues, needs and services.

Alberta's Commission on Learning - Implementation

Implementation plans are being developed for the accepted recommendations of *Alberta's Commission on Learning* to promote learner excellence through continuous improvement of the Kindergarten to Grade 12 (K-12) learning system. This includes the *Languages Initiative*; the *Learning and Technology Policy Framework*; the *First Nations, Métis and Inuit Education Policy Framework;* and the *K-12 Funding Framework*.

Life Sciences Strategy

The aim of the *Alberta Life Sciences Strategy* is to foster excellence in life sciences research and innovation, which involves the science, technology, products and processes related to human health, agriculture, forestry and the environment. It has four key areas of concentration: research and development in areas of life science important to Alberta; moving ideas from the lab to market; increasing life sciences education; and responding to ethical and moral concerns.

Agriculture is a fundamental element to the life sciences sector in Alberta. Implementation of *Alberta's Agriculture Research and Innovation Strategy* will create the capacity to develop a stream of products and innovations to boost growth in this sector and achieve industry targets specified in the *Agriculture Growth Strategy*.

Agriculture Growth Strategy

The goal of the *Agriculture Growth Strategy* is sustainable growth of the agriculture industry. The strategy is focused on: new and diversified product development (primary and value-added food and non-food products); enhanced market access for agriculture and food industry products; and improved agriculture and food industry business services. The target is to achieve $10 billion primary and $20 billion value-added agricultural food and non-food products by the year 2010.

Alberta Energy Innovation Strategy

The *Alberta Energy Innovation Strategy* was developed in recognition of the urgent need for an ongoing supply of affordable energy. The Government of Alberta is bringing together interested public and private sector partners from across Canada to create an integrated and collaborative network that will create value from energy resources, improve environmental performance and build a strong economy. The emphasis is on technology advancement, while managing carbon, hydrogen and nitrogen to achieve the highest value energy products and best-in-class environmental standards.

Minister's Provincial/Municipal Council on Roles, Responsibilities and Resources in the 21st Century

The Alberta government, through the *Minister's Provincial/Municipal Council on Roles, Responsibilities and Resources in the 21st Century*, will continue to look at how the provincial and municipal governments can best work together. Building the capacity of municipalities to provide efficient and effective services will foster financially strong municipalities that are better able to keep pace with the province's economic growth.

Environment and Resource Development Regulatory Framework

The *Environment and Resource Development Regulatory Framework* will make the resource development regulatory system more effective based on the principles of one application, one approval, one regulator, one appeal, and clear, transparent accountability. It will also enhance direction-setting and management with clear policy direction and standards developed across ministries and involving the public.

Aboriginal Policy Framework

The *Aboriginal Policy Framework* is a long-term commitment to increasing collaboration among First Nation and Métis communities, governments and the private sector to:

- Enhance Aboriginal self-reliance and develop long-term sustainable Aboriginal economies;
- Support Aboriginal community-based processes to work with governments and other stakeholders to set local priorities and address specific needs facing Aboriginal people, including those in urban centers;
- Implement a program of meaningful consultation with First Nations and Aboriginal communities regarding resource development on Crown land;
- Increase the participation of Aboriginal Albertans in the province's economy;
- Upon request by First Nations and Canada, participate in the development of agreements to implement the inherent right of self-government;
- Focus on increasing learner success and moving to close the gaps in education levels and labour force participation between Aboriginal and non-Aboriginal people;
- Reduce inequalities in health status between Aboriginal and non-Aboriginal people; and
- Redefine federal-provincial relations on Aboriginal issues.

Community-Based Health Services

Community-Based Health Services is a strategic priority that seeks to provide the appropriate community-based health services where and when they are needed. This will be accomplished through implementation of the agreement with the Alberta Medical Association and health authorities to improve access to primary health care throughout Alberta, and increasing community-based housing and care options for seniors and persons with disabilities. To improve access by lower-income seniors, continuing care services, where appropriate, will be shifted from facility-based to community-based settings.

Adult Learning Strategic Framework

The *Adult Learning Strategic Framework* will increase access to adult learning opportunities including apprenticeship and industry training. It will generate returns through increased entrepreneurship, new knowledge and ideas, new products and services, healthier and better-informed citizens, a well-supported economy and a more prosperous society.

Northern Development Strategy

The *Northern Development Strategy* will enable government to more effectively plan, address and coordinate sustainable development across the region. This includes addressing economic diversification and adding value to our northern-based resources. Challenges include enhancing the educational attainment and skill development of northern residents, northern transportation systems and local capacity building.

Mineral Development Strategy

Alberta's *Mineral Development Strategy* provides a framework for orderly, environmentally responsible mineral exploration and development in the province. Most of the strategic directions facilitate mineral exploration and development through existing structures and mechanisms.

2004-07 Government of Alberta Business Plan

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2004-07 Government of Alberta Business Plan

The Government of Alberta Business Plan is an ongoing three-year plan that lays out the government's goals, strategies and measures to track progress towards achieving goals. It is part of the government's commitment to be open and accountable to the people of Alberta.

The *Government Accountability Act* requires that the government annually prepare a three-year consolidated fiscal plan and a three-year business plan.

Goals should not be considered in isolation as progress related to one goal often results in progress being made to other goals. For example, sustaining the high quality of Alberta's natural environment contributes to the overall health of Albertans, which in turn contributes to the economic and social well-being of Albertans.

The government cannot achieve the goals alone. It requires effort from all Albertans. Individuals, communities, non-profit organizations and businesses all need to contribute towards the achievement of Alberta's goals. The government provides the framework through economic, social and regulatory policies in partnership with other levels of government, communities, businesses, industry, and not-for-profit sectors in working towards goal achievement.

LINK WITH 20-YEAR STRATEGIC PLAN

The goals and strategies in the three-year business plan are linked with the four key opportunities and long-term strategies outlined in the 20-year strategic plan: *Today's Opportunities, Tomorrow's Promise: A Strategic Plan for the Government of Alberta.*

Opportunity 1: Unleashing Innovation

Strategies in the 3-year business plan that support unleashing innovation are: encouraging investment in new development and the expansion of production of Alberta's oilsands, while encouraging development of new energy sources; promoting the building of knowledge-based industries and focusing on value-added industries; enhancing the capability and capacity of Alberta's research system; and accelerating growth of Alberta's life sciences sector (Goal 7), while implementing a strategy directed at the wise management of water and the reduction of greenhouse gases (Goal 10).

Opportunity 2: Leading in Learning

Strategies in the 3-year business plan that support leading in learning are: implementing Alberta's Commission on Learning supported recommendations from expanding the Adult Learning Strategic Framework to improve access; improving Aboriginal learner success; assisting Albertans who face barriers to employment; and continuing to implement the Skills Investment Strategy to support and maintain a skilled workforce (Goal 2).

The plan also includes strategies directed at improving job skills of Aboriginal people in Alberta so that they can participate fully in the economic opportunities of the province (Goal 5).

Opportunity 3: Competing in a Global Marketplace

Strategies in the 3-year business plan that support competing in a global marketplace include: expansion of Alberta's tourism industry; implementing Alberta's International Marketing Strategy; supporting development of knowledge-based industries and the removal or reduction of barriers to national and international trade and investment (Goal 7).

Strategies also include improving federal/provincial fiscal arrangements to ensure that Alberta receives its fair share of federal spending, and maintaining a low tax environment including a gradual lowering, as affordable, of the corporate income tax rate (Goal 8).

Opportunity 4: Making Alberta the Best Place to Live, Work and Visit

Strategies in the 3-year business plan that support making Alberta the best place to live, work and visit include: implementing changes to improve primary health care services such as a greater use of multi-disciplinary teams and increased emphasis on prevention and healthy lifestyles (Goal 1); and implementing the new *Child, Youth and Family Enhancement Act* to place greater emphasis on the safety and well-being of children (Goal 3).

The 3-year plan also contains strategies to address major municipal-provincial issues and to provide municipalities with preferential financing for capital projects (Goal 6). There are strategies to develop and maintain a long-term revenue management framework, including ensuring that Albertans receive a fair share from resource revenues (Goal 8).

It also includes strategies for developing safe communities including dealing with crime and substance abuse. Other strategies are directed at reducing traffic fatalities, workplace incidents, and protection of human rights (Goal 9).

There are strategies for promoting self-reliance and providing help to those that are unable to provide for their basic needs (Goal 4).

Other strategies are directed at having an effective and sustainable infrastructure to support Albertans' social and economic goals (Goal 12).

The 3-year plan contains strategies directed at providing Albertans with the opportunity to participate in community and cultural activities, and to enjoy the province's historical resources, parks and protected areas (Goal 11).

MINISTRY BUSINESS PLANS

More detailed information is provided to Albertans through ministries' business plans that accompany the government business plan. Each ministry business plan is required to indicate its linkages to the 3-Year Government Business Plan.

ALLOCATION OF GOVERNMENT SPENDING BY GOAL

The table on the following page allocates the dollars spent by the provincial government on each of the goals in the 3-Year Government Business Plan.

For goals 1 to 11, total expense is allocated to each goal over the next three years. Goals 1 to 11 are on an accrual accounting basis. It should be noted that expense includes grants to local authorities to fund capital projects for health, learning and municipal infrastructure. For government-owned capital, amortization costs are included as an expense.

Goal 12, Infrastructure, is aligned with the *2004-07 Capital Plan* and provides a different perspective. For Goal 12, the figures represent the total value of capital being acquired or directly supported by the provincial government. This includes grants to local authorities for capital purposes, which are also included in goals 1-11, spending on provincial government-owned capital and the value of projects being alternatively financed. It does not include capital amortization and financing costs.

After the table, performance measures and targets for each of the goals are provided. Relating results to funding provides the foundation for performance-based analysis.

Expense by Goal [1]

(millions of dollars)

		2002-03 Actual	2003-04 Budget	2003-04 Forecast	2004-05 Estimate	2005-06 Target	2006-07 Target
Goal 1	Albertans will be healthy	6,917	7,651	7,649	**8,407**	8,672	8,910
Goal 2	Albertans will be well prepared for lifelong learning and work	5,461	5,766	5,887	**6,354**	6,439	6,508
Goal 3	Alberta's children and youth will be supported in reaching their potential	657	708	709	**742**	765	784
Goal 4	Albertans will be self-reliant and those unable to provide for their basic needs will receive help	1,583	1,647	1,735	**1,815**	1,833	1,830
Goal 5	Aboriginal communities and people in Alberta will have improved social and economic circumstances	64	32	35	**36**	36	36
Goal 6	Alberta will have an effective, responsive and well-managed local government sector	420	406	417	**392**	369	350
Goal 7	Alberta will have a prosperous economy	2,958	2,265	3,288	**2,519**	2,657	2,639
Goal 8	Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada	1,190	1,180	1,003	**1,115**	1,110	1,102
Goal 9	Alberta will be a fair and safe place to work, live and raise families	901	704	842	**801**	806	810
Goal 10	The high quality of Alberta's environment will be sustained	147	161	170	**161**	161	159
Goal 11	Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas	231	280	276	**307**	290	266
Total Expense (program expense and debt servicing)		20,529	20,800	22,011	**22,649**	23,138	23,394

1. The allocation of expense by goal is based on the Expense by Function table in the Fiscal Plan.

Capital Plan

(millions of dollars)

		2004-05 Estimate	2005-06 Target	2006-07 Target	Three-Year Total
Goal 12	Alberta will have effective and sustainable government-owned and supported infrastructure [2]	**2,393**	2,223	1,842	6,458

2. Represents the total value of capital being acquired or directly supported by the provincial government. This includes grants to local authorities for capital purposes, which are also included in Goals 1 to 11, spending on provincial government owned capital, and the value of projects being alternatively financed. It does not include capital amortization and financing costs.

SUMMARY OF GOALS, MEASURES AND TARGETS

core business *People ...*

GOAL ONE

Albertans will be healthy

Life Expectancy at Birth - Male/Female life expectancy at birth to be among the top 10 countries in the world.

Self-Reported Health Status - In 2005, 90% of Albertans age 18-64 rate their health as "excellent", "very good" or "good"; and 80% of Albertans age 65 years and over rate their health as "excellent", "very good" or "good".

Ease of Access to Physician and Hospital Services - In 2005, maintain 86% of Albertans have "easy" or "very easy" access to physician services, and maintain 72% of Albertans have "easy" or "very easy" access to hospital services.

Overall Quality of Health Care Received - In 2004, maintain 85% of Albertans rate overall quality of care as "excellent" or "good".

Participation in Healthy Behaviour - In 2004-05, targets are 75% of Albertans do not smoke; 55% exercise regularly; and 50% have an acceptable weight.

GOAL TWO

Albertans will be well prepared for lifelong learning and work

Educational Attainment of Albertans Age 25-34 - High school completion rates for Albertans age 25-34 of 90% or higher in 2004-05, 2005-06 and 2006-07. Post-secondary completion rates of Albertans age 25-34 of 60% in 2004-05, 2005-06 and 2006-07.

Educational Attainment of Aboriginal Albertans Age 25-34 - Percentage of Aboriginal Albertans who completed high school and post-secondary education. Targets to be determined.

Literacy and Numeracy Grade 9 - 80% of students achieve the acceptable standard on provincial achievement tests for language arts and 68% in mathematics in 2004-05; 81% for language arts and 68% in mathematics in 2005-06; and 82% in language arts and 69% in mathematics in 2006-07.

Lifelong Learning - 73% of the public are satisfied that adult Albertans have easy access to lifelong learning in 2004-05, 2005-06 and 2006-07.

Adult Participation in Learning - 32% of Albertans participate in credit and non-credit courses in 2004-05, 2005-06, and 2006-07.

Participants Employed Post-Intervention - 70% of participants employed as a result of Work Foundations and Training for Work programs and services in 2004-05, 2005-06, 2006-07.

Employment Preparedness - Percentage of participants who indicate their training helped prepare them for employment. Targets to be determined.

Skill Development - 90% of employers satisfied with recent graduates' skills and quality of work (includes high school, apprenticeship and post-secondary graduates) in 2005-06.

GOAL THREE

Alberta's children and youth will be supported in reaching their potential

Well-being of Children - Percentage of children living in families with incomes at or above the Market Basket Measure (MBM) low-income threshold to be among the top three provinces.

Children in Care - Children under the guardianship or custody of the Provincial Child Welfare Program per 1,000 child population. Targets to be determined once baseline is established in 2004-05; equal to or better than baseline in 2005-06 and 2006-07.

Social and Emotional Development - Percentage of Alberta children demonstrating healthy social and emotional development. Target is to maintain or improve Alberta's result relative to the national average in 2004-05, 2005-06 and 2006-07.

Parenting Skills - Percentage of Alberta children, aged 0-5, whose parents are interacting positively with them. Target is to maintain or improve Alberta's result relative to the national average in 2004-05, 2005-06 and 2006-07.

GOAL FOUR

Albertans will be self-reliant and those unable to provide for their basic needs will receive help

Economic Status of Albertans - Percentage of Albertans living at or above the Market Basket Measure (MBM) low-income threshold to be among the top three provinces.

Persons with Developmental Disabilities (PDD) Funded Services - 91% of families/guardians of persons with developmental disabilities satisfied with PDD-funded services in 2004-05 and 2006-07.

Alberta Seniors Benefit - Percentage of seniors provided with the opportunity to apply for Alberta Seniors Benefit. Targets to be determined once baseline is established.

GOAL FIVE

Aboriginal communities and people in Alberta will have improved social and economic circumstances

Participation in the Economy - Reduce the difference in the participation rates of Aboriginal people and non-Aboriginal people to 4% in 2006.

Participation in the Economy - Participation rates by Aboriginal component group and gender. Targets to be determined once baseline is established.

Source of Income - Reduce the difference in the proportion of income received from government transfers by Aboriginal people compared to non-Aboriginal people to 4% in 2006.

Aboriginal Affairs - Public approval rating on Aboriginal issues to be higher than the average of the four nearest provinces in 2004-05, 2005-06 and 2006-07.

core business *Prosperity ...*

GOAL SIX

Alberta will have an effective, responsive and well-managed local government sector

Albertans' Satisfaction with their Local Governments - 75% of Albertans satisfied in 2004-05, 2005-06 and 2006-07.

Municipal Financial Accountability - 97% of municipalities meet the criteria of financial accountability in 2004-05, 2005-06 and 2006-07.

Local Authorities' Cost of Borrowing from Alberta Capital Finance Authority - Borrowing costs of local authorities lowest among Canadian municipalities in 2004-05, 2005-06 and 2006-07.

Local Authorities' Satisfaction with Alberta Capital Finance Authority - 85% of local authorities satisfied with lending policies and efficiency in 2005-06 (biennial survey).

GOAL SEVEN

Alberta will have a prosperous economy

Gross Domestic Product (GDP) - Three-year average annual growth rate in current dollars of 4% in 2004-05, 2005-06 and 2006-07.

Job Growth - 240,000 net jobs created from January 2000 to December 2005, on an annual average basis.

Labour Productivity - Highest among the provinces in 2004-05, 2005-06 and 2006-07 measured by real GDP in dollars per hour worked.

Labour Force Participation Rate - Highest among the provinces in 2004-05, 2005-06 and 2006-07.

Business Connectiveness - Percentage of Alberta households that use the Internet at work among the top three provinces in 2004-05, 2005-06 and 2006-07.

Sponsored Research at Alberta Universities - Sponsored research from all sources of $492 million in 2004-05, $525 million in 2005-06 and $562 million in 2006-07.

Value-Added Industries - Percentage of real GDP contributed by manufacturing and knowledge-intensive industries greater than the 29.3% achieved during 2001 in 2004-05 and increasing further in 2005-06 and 2006-07.

Export Trade - International value-added exports including manufactured goods, tourism and other services, measured in current dollars, targets of $22.7 billion in 2004-05, $24.7 billion in 2005-06 and $26.9 billion in 2006-07.

Tourism Industry Revenue - Tourism expenditures made in Alberta by Alberta residents, and visitors from overseas, the United States and other provinces, measured in current dollars, targets of $5.3 billion in 2004-05, $5.7 billion in 2005-06 and $5.9 billion in 2006-07.

Personal Disposable Income - Dollars per capita to be among the top two provinces in 2004-05, 2005-06 and 2006-07.

Barriers to Trade - Long-term solution to softwood lumber dispute by December 31, 2005.

Industrial Disposition Planning - 35% of active oil and gas industrial dispositions subject to Area Operating Agreements in 2004-05, 2005-06 and 2006-07.

Biodiversity Monitoring System - Biodiversity monitoring system designed and tested in 2006.

Oil Sands Production - Increasing production above the 2002 production level of 740.3 thousand barrels per day in 2004-05, 2005-06 and 2006-07.

GOAL EIGHT

Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada

Intergovernmental Relations - Public approval rating in federal-provincial relations on par with the four nearest provinces in 2004-05, 2005-06 and 2006-07.

Provincial Credit Rating - AAA blended credit rating for domestic debt in 2004-05, 2005-06 and 2006-07.

Accumulated Debt (less cash set aside for future debt repayment) - $3.0 billion in 2004-05, $2.7 billion in 2005-06 and 2006-07.

Tax Load - Total provincial and municipal tax load, as a percentage of Canadian average, is the lowest among the provinces in 2004-05, 2005-06 and 2006-07.

Government Financial Accountability - 70% of Albertans think they get enough information on the government's financial performance in 2004-05, 2005-06 and 2006-07.

GOAL NINE

Alberta will be a fair and safe place to work, live and raise families

Workplace Lost-Time Claim Rate - 2.0 lost-time claims per 100 person-years worked, or lower, in 2004, 2005 and 2006.

Effectiveness of Human Rights Protection - 86% of adult Albertans feel human rights protection in Alberta is effective in 2004-05, 2005-06 and 2006-07.

Violent Crime Rate - Alberta's violent crime rate per 100,000 population the lowest of the four western provinces in 2004-05, 2005-06 and 2006-07.

Property Crime Rate - Alberta's property crime rate per 100,000 population lowest of the four western provinces in 2004-05, 2005-06 and 2006-07.

Perception of Safety in the Neighbourhood - 82% of Albertans feel "reasonably safe" to "very safe" walking alone in their neighbourhoods at night in 2004-05, 2005-06 and 2006-07.

Work Stoppages - 98% of collective bargaining agreements settled without a work stoppage in 2004-05, 2005-06 and 2006-07.

Involvement of Drinking Drivers in Fatal Collisions - Percentage of fatal collisions involving drinking drivers: 20.0% in 2004-05, 19.9% in 2005-06 and 19.7% in 2006-07.

Harmonized Securities Legislation - Proposal to develop harmonized securities legislation in 2004-05 and adopt legislation in 2005-06.

Wildfire Prevention - Less than 300 human-caused fires within Alberta's forest protection area in 2004-05, 2005-06 and 2006-07.

GOAL TEN

The high quality of Alberta's environment will be sustained

River Water Quality Index - Maintain overall water quality in 2004-05, 2005-06 and 2006-07.

Drinking Water Safety Indicator - Indicates the performance of waterworks facilities in delivering safe drinking water. Targets to be determined.

Greenhouse Gas Emissions Intensity - Cut the greenhouse gas emissions intensity of the Alberta economy in half by 2020 relative to 1990 levels.

Air Quality Index - Maintain "good" air quality days equal to or greater than 97% of the time in 2004-05, 2005-06 and 2006-07.

Municipal Solid Waste to Landfills - Reduce municipal solid waste disposal to landfills to 500 kilograms per capita by 2010.

GOAL ELEVEN

Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas

Level of Community Volunteerism - 73% of adult Albertans volunteer in 2004-05, 2005-06 and 2006-07.

Sport and Recreation Participation - 85% of adult Albertans participating in sport and recreational activities in 2004-05, 2005-06 and 2006-07.

Public Library Use - 54% of adult Albertans use public library services in 2004-05, 2005-06 and 2006-07.

Participation in Arts and Cultural Activities - 90% of adult Albertans participate in arts and cultural activities in 2004-05, 2005-06 and 2006-07.

Film Production Employment Opportunities - 2,950 film production employment opportunities for Albertans supported by the Alberta Film Development Program in 2004-05, 2005-06 and 2006-07.

Visitor Satisfaction with Provincial Historic Sites, Museums and Interpretive Centres - 99% of visitors satisfied with their experiences at provincial historic sites, museums and interpretive centres in 2004-05, 2005-06 and 2006-07.

Visitor Satisfaction with Provincial Parks and Recreation Areas - Percentage of visitors satisfied with their experiences at provincial parks and recreation areas. Targets to be determined.

Infrastructure ...

GOAL TWELVE

Alberta will have effective and sustainable government-owned and supported infrastructure

Physical Condition of Health Facilities - 94% in acceptable ("fair" or "good") condition in 2004-05, 2005-06 and 2006-07.

Physical Condition of Learning Facilities - 95% of schools and 91% of post-secondary institutions in acceptable ("fair" or "good") condition in 2004-05, 2005-06 and 2006-07.

Physical Condition of Government Owned and Operated Buildings - 97% in acceptable ("fair" or "good") condition in 2004-05, 2005-06 and 2006-07.

Physical Condition of Provincial Highways - 86% have acceptable ("fair" or "good") physical condition of pavement in 2004-05, 85% in 2005-06 and 83.5% in 2006-07.

Utilization of Provincial Highways - 99% of Provincial highways accommodate current traffic volumes where traffic flow is not severely restricted in peak hour traffic in 2004-05, 2005-06 and 2006-07.

Construction Progress on the North-South Trade Corridor - 84% of four-laning open to travel in 2004-05, 88% in 2005-06 and 90% in 2006-07. 22% of the Edmonton and Calgary ring roads open to travel in 2004-05, 25% in 2005-06 and 26% in 2006-07.

SuperNet Completion - Services available to 395 rural and 27 urban communities in 2004-05.

Physical Condition of Water Management Infrastructure (headworks, dams and irrigation canals) - 96% in acceptable ("fair" or "good") condition in 2004-05, 2005-06 and 2006-07.

core business *People ...*

The goals for the ***People*** core business are directed at improving the quality of life in Alberta for individuals and their families through the government's priorities for health, education, our children, those in need and Aboriginal Albertans.

READER'S GUIDE

The *2004-07 Government Business Plan* has 12 goals and each goal has four main sections:

What it means contains a description of the goal and what the government is doing on an ongoing basis relative to the goal.

Link to the fiscal plan indicates which ministries financially contribute to achieving the goal, and the annual total provincial contribution directed towards the goal.

Strategies detail how the government plans to reach the goal. The strategies are specific and traceable to ministry business plans.

Measures and Targets include a suite of measures to track progress towards achieving the goal. Targets are established based on what the government would like to achieve given budget resources.

GOAL ONE

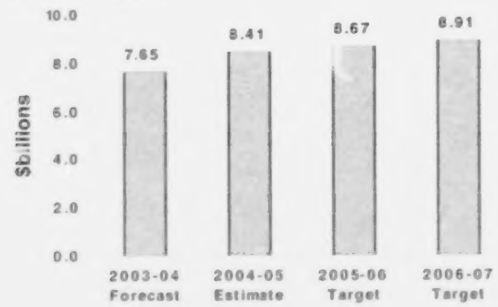
Albertans will be healthy

What it means

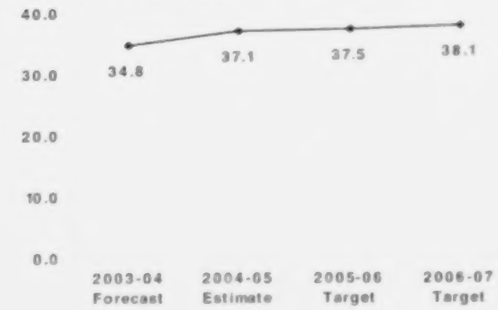
Albertans are encouraged to realize their full health potential through informed lifestyle choices. The province contributes to the health of Albertans by encouraging and supporting healthy living, ensuring quality health services are available, and by leading the health system. Support is provided for health research and development initiatives to enhance health services and improve the health of Albertans through the Alberta Heritage Foundation for Medical Research. The province provides operating and capital funding to the Regional Health Authorities throughout the province (see Goal 12). Clean air and a safe, secure drinking water supply contributes to the benefits of a healthy environment for Albertans. An individual's socio-economic status also contributes to their health and well-being.

Link to fiscal plan

This goal links to the Health function of the government's Fiscal Plan, which includes spending of the following ministries: Health and Wellness, Infrastructure and Revenue.



Goal One Expense



Percent of Total Expenses

Strategies

- Work towards achieving the objectives and targets set out in the following cross-ministry initiatives: Aboriginal Policy Initiative, Alberta Children and Youth Initiative, Economic Development Strategy and Health Sustainability Initiative. See pages 31-42.
- Provide health and lifestyle information, such as the *Healthy U Campaign* and the Framework for a Healthy Alberta, to assist people in making healthy choices.
- Strengthen the health system's capacity to respond to public health issues and risks.
- Implement changes to improve primary health care:
  - 24 hour access to primary care services;
  - Greater use of multi-disciplinary teams;
  - Improved coordination and integration with other health care services; and
  - Increased emphasis on health promotion, disease and injury prevention, including chronic disease management (e.g. diabetes).
- Ensure appropriate access to health services in rural and remote areas.
- Promote options for continuing care that allow Albertans to 'age in place'.
- Protect Albertans from catastrophic drug costs.

GOAL ONE

Albertans will be healthy

- Work with key stakeholders on plans and initiatives, such as the Rural Physician Action Plan, to educate, recruit and retain the needed health workforce.
- Implement integrated information systems, including the Electronic Health Record, that will support research and improve clinical and management decision-making.
- Implement multi-year performance agreements with health authorities that promote innovation, collaboration and set out performance expectations and deliverables.
- Collaborate to evaluate alternative ways to finance programs not covered by the *Canada Health Act* including cost-sharing approaches for a wide range of services.
- Implement strategies to work towards eliminating youth substance abuse and prevent disorders such as Fetal Alcohol Spectrum Disorder and address the needs of the children and youth affected, and their families.

Measures

	Last Actual		Target	Target	Target
	Results	Year	2004-05	2005-06	2006-07
Life Expectancy at Birth					
Years of life for females (international rank).	82.4 (6th)	2001	Life expectancy at birth to be among the top 10 countries in the world.		
Years of life for males (international rank).	77 (5th)	2001			
Self-Reported Health Status					
Rating as "excellent", "very good" or "good" (18-64 years).	90%	2003		90% in 2005	
Rating as "excellent", "very good" or "good" (65 years and over).	80%	2003		80% in 2005	
Ease of Access to Services					
Rating as "easy" or "very easy".					
Physician Services	86%	2003		Maintain 86% in 2005	
Hospital Services	72%	2003		Maintain 72% in 2005	
Overall Quality of Health Care Received					
Rating as "excellent" or "good".	85%	2003		Maintain 85% in 2004	
Participation in Healthy Behavior					
Do not smoke	72%	2000-01	75%	To be determined	
Exercise regularly-"active" or "moderately active"	52%	2000-01	55%	To be determined	
Acceptable weight	47%	2000-01	50%	To be determined	

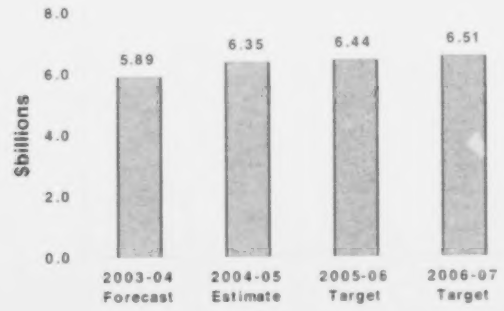
GOAL TWO

Albertans will be well prepared for lifelong learning and work

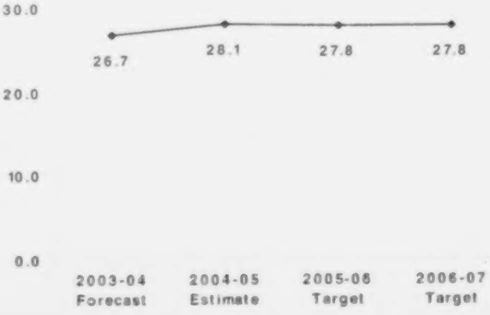
What it means Quality lifelong learning and human resource development enables Albertans to be responsible, caring, creative, self-reliant and contributing members of society. The strength of Alberta's learning system is that it provides high quality learning opportunities for all Albertans as well as a safe and efficient learning environment. In modern societies, knowledge, innovation, research and lifelong learning are the key drivers of economic and societal prosperity. The government provides assistance to high school and post-secondary students through the Alberta Heritage Scholarship Fund. The province responds to industry's need for a trained and skilled workforce and works with stakeholders to build a world-class, lifelong learning community. Youth are encouraged to consider science related career paths such as technology-oriented entrepreneurship. Through the support of internship programs, young people can acquire practical work experience and diverse training to prepare them for the workplace of tomorrow. The province also provides operating and capital funding to schools and post-secondary institutions throughout the province (see Goal 12).

Link to fiscal plan This goal links to the Education function of the government's Fiscal Plan, which includes spending of the following ministries: Human Resources and Employment, Infrastructure and Learning.

Goal Two Expense



Percent of Total Expenses



GOAL TWO

Albertans will be well prepared for lifelong learning and work

Strategies

- Work towards achieving the objectives and targets set out in the following cross-ministry initiatives: Aboriginal Policy Initiative, Alberta Children and Youth Initiative and Economic Development Strategy. See pages 31-39.
- Implement government-approved recommendations from Alberta's Commission on Learning to improve the learning system.
- Expand the Adult Learning Strategic Framework, including improving access to learning opportunities and enhancing sustainability of the system.
- Implement the Learning and Technology Policy Framework, including the continued implementation of LearnAlberta.ca and Alberta SuperNet to develop multimedia and online resources for student learning.
- Pursue priority initiatives under the First Nations, Métis and Inuit Education Policy Framework to improve Aboriginal learner success.
- Work with intergovernmental partners, such as the Northwest Territories, British Columbia and the Western and Northern Canadian Protocol, to further develop Alberta's unique cooperative arrangements and strengthen Alberta's leadership in pan-Canadian initiatives through the Council of Ministers of Education, Canada; Canadian apprenticeship councils, and others.
- Develop and implement options to assist Albertans who face barriers to employment to increase their labour force participation (e.g., Aboriginal people, persons with disabilities, immigrants and older workers).
- Continue to implement the Skills Investment Strategy to support the development and maintenance of a skilled workforce, and to address labour shortages and skills deficits in Alberta.
- Develop, recruit and retain the best researchers in the areas of energy, information and communications technology and life sciences to support the growth of knowledge-based industries in Alberta.

GOAL TWO

Albertans will be well prepared for lifelong learning and work

Measures

	Last Actual		Target	Target	Target
	Results	Year	2004-05	2005-06	2006-07
Educational Attainment of Albertans Age 25-34					
High school completion.	89%	2003	90% or higher	90% or higher	90% or higher
Post-secondary completion.	57%	2003	60%	60%	60%
Educational Attainment of Aboriginal Albertans Age 25-34 High school completion. Post-secondary completion (Baseline data to be established from Labour Force Survey).	New	-	To be determined		
Literacy and Numeracy Grade 9 Percentages of all students who achieve the acceptable standard on Provincial Achievement Tests:					
Language Arts	78%	2002-03	80%	81%	82%
Mathematics	64%	2002-03	68%	68%	69%
Lifelong Learning Public satisfaction that adult Albertans have easy access to lifelong learning.	73%	2002-03	73%	73%	73%
Adult Participation in Learning Participation rate of Albertans 25+ in credit and non-credit courses.	30%	2002-03	32%	32%	32%
Participants Employed Post-Intervention Percentage of participants employed as a result of Work Foundations and Training for Work programs and services.	72%	2002-03	70%	70%	70%
Employment Preparedness Percentage of participants who indicate their training helped prepare them for employment.	New	-	To be determined		
Skill Development Employer satisfaction with recent graduates' skills and quality of work (includes high school, apprenticeship and post-secondary graduates) (biennial survey).	89%	2003-04	n/a	90%	n/a

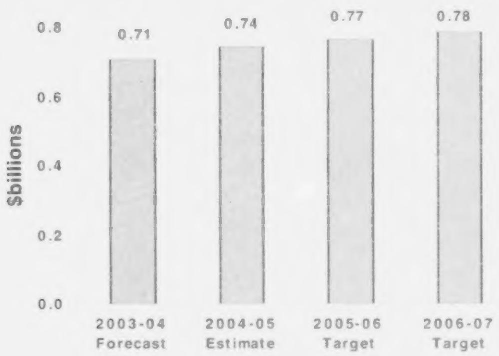
n/a – not applicable (biennial survey)

GOAL THREE

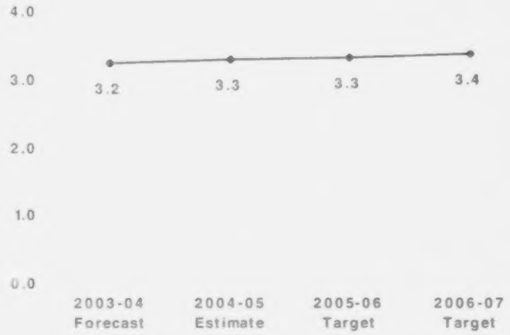
Alberta's children and youth will be supported in reaching their potential

What it means Families are the foundation to nurture the development of children and youth. Although parents have primary responsibility in raising their children, communities, organizations, schools, businesses and governments all have supporting roles to play in helping to meet the needs of Alberta's children and youth. The government supports them in reaching their potential by: working with stakeholders and delivery partners to build resources for community based services to respond to the needs of children and youth; direct delivery of services to ensure the safety of children and youth; collaborating with the Alberta Centre for Child, Family and Community Research, community and university partners to promote policy-relevant research and best practices to improve outcomes for children, families, and communities; working with Aboriginal communities to build the capacity to prevent and reduce the incidence of youth suicide; and developing and promoting strategies to increase the educational attainment of children and youth in care of government.

Link to fiscal plan This goal links to the part of the Social Services function of the government's Fiscal Plan that includes the spending of the Children's Services ministry.



Goal Three Expense



Percent of Total Expenses

Strategies

- Work towards achieving the objectives and targets set out in the following cross-ministry initiatives: Aboriginal Policy Initiative, Alberta Children and Youth Initiative and Health Sustainability Initiative. See pages 31-36 and 40-42.
- Work towards an Alberta free from family violence by developing a new Provincial Response to Family Violence with strengthened community based, comprehensive services and supports for children and other family members who witness or are victims of family violence.
- Develop community-based supports that assist parents with the information and skills to give children the best possible start in life, and the supports to learn, grow and succeed. This includes: early child development services, early screening, childcare resources, and a range of cross-ministry services for children, youth and families.

GOAL THREE

Alberta's children and youth will be supported in reaching their potential

- Implement the new *Family Supports for Children with Disabilities Act* and policies to re-focus Resources for Children with Disabilities on early intervention and family supports. Better coordinate services across ministries and other partners so that families obtain consistent, sustainable supports for their children, including those with complex special needs.
- Implement the new *Child, Youth, and Family Enhancement Act* to place greater emphasis on accountability for the safety and well-being of children; permanent, nurturing homes for children; the involvement of children and families in decision-making; and partnerships in the safeguarding of children.
- Continue to implement the "youth in transition" framework across government to better address the needs of youth and help them make a successful transition to adulthood including further learning, employment, and adult supports where needed.
- Take the early findings of the Alberta Response Model for children coming into contact with the child protection system and build cross-ministry and regional governance and delivery partnerships to determine how to best deliver provincial policies and programs to meet regional needs and circumstances to realize better outcomes for children: (a) improving community-based resources that assist families to overcome at-risk circumstances and care for their own children without turning to child protection services, and (b) ensuring that the assessment of needs involves families, focuses on each child's individual developmental milestones, and outlines the steps to reunite the child with family or other permanent, nurturing homes.
- Evaluate and re-focus ministry, cross-ministry and local preventive and treatment services for the protection of children and youth under the *Protection of Children Involved in Prostitution Act* to improve outcomes for children and caregivers.
- Develop and implement strategies with communities and the Federal Government to enable First Nations to develop and deliver prevention and early intervention initiatives within their communities to assist Aboriginal children and youth to reach their potential.

GOAL THREE

Alberta's children and youth will be supported in reaching their potential

Measures

	Last Actual Results	Last Actual Year	Target 2004-05	Target 2005-06	Target 2006-07
Well-being of Children Percentage of children living in families with incomes at or above the Market Basket Measure (MBM) low-income threshold (provincial rank).	85% (2nd)	2000	Among the top three provinces		
Children in Care Children under the guardianship or custody of the Provincial Child Welfare Program per 1,000 child population.	New	-	To be determined once baseline is established	Equal to or better than baseline	Equal to or better than baseline
Social and Emotional Development Percentage of Alberta children demonstrating healthy social and emotional development.	New	-	Maintain or improve Alberta's result relative to the national average		
Parenting Skills Percentage of Alberta children, aged 0-5,whose parents are interacting positively with them.	New	-	Maintain or improve Alberta's result relative to the national average		

GOAL FOUR

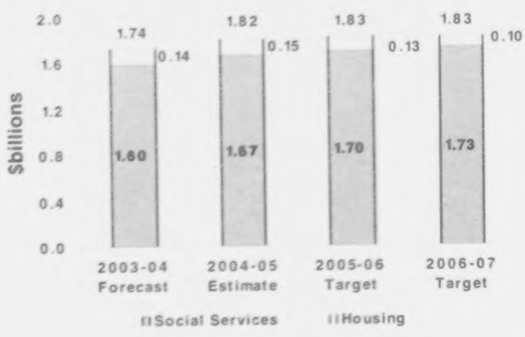
Albertans will be self-reliant and those unable to provide for their basic needs will receive help

What it means Government has a role in building an accessible and inclusive society. Communities, organizations, and governments all have roles in ensuring that Albertans unable to provide for their basic needs will receive help. Disability-related supports and services are provided to assist adult Albertans with disabilities so that they can be contributing members of Alberta communities. To further the self-reliance of Albertans, the government promotes human resource development and encourages Albertans to become independent from income support programs. Communities are challenged to become more self-reliant in economic development and individual Albertans can and should determine where their lives go and how their families are to be raised.

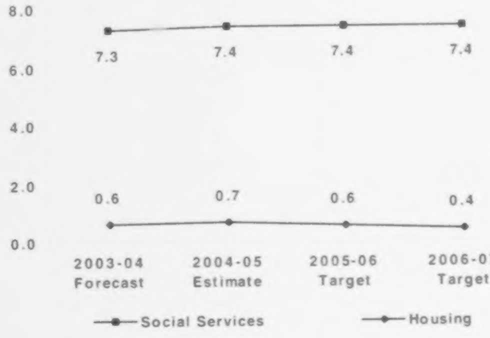
The Alberta government offers a number of programs to help Albertans meet their basic needs. Some of these programs include: Alberta Child Health Benefit; Alberta Adult Health Benefit; Integrated Income Support; Assured Income for the Severely Handicapped; Childcare Subsidy; Alberta Aids to Daily Living; Alberta Family Employment Tax Credit; and health care premium subsidies. For low-income seniors with little or no opportunity to improve relatively fixed incomes, the Alberta Seniors Benefit program and Special Needs Assistance for Seniors assist with basic and special needs. The government also facilitates access to a range of basic housing and support options. Funding for capital improvements to seniors' lodges is also provided (see Goal 12).

Link to fiscal plan This goal links to part of the Social Services function and to the Housing function of the government's Fiscal Plan, which includes spending of the following ministries: Community Development, Human Resources and Employment, Infrastructure, Justice, Seniors and Solicitor General.

Goal Four Expenses



Percent of Total Expenses



Strategies

- Work towards achieving the objectives and targets set out in the following cross-ministry initiatives: Alberta Children and Youth Initiative and Health Sustainability Initiative. See pages 34-36 and 40-42.
- Continue to identify potential improvements to income-based seniors' benefits that are responsive to changing needs, and that result in improved fairness and simplified eligibility and administration.
- Review mandate and strategic directions of the Office of the Public Guardian to maintain clear, consistent and coordinated policies and services.

GOAL FOUR

Albertans will be self-reliant and those unable to provide for their basic needs will receive help

- Strengthen and initiate consultations with Albertans to assist in the identification and resolution of systemic issues arising from the needs of persons with disabilities and vulnerable adults in care.
- Enhance the protection of persons in care from abuse and improve the life of adult Albertans in care by implementing the results of the legislative review of the *Protection for Persons in Care Act*.
- Support and strengthen communities' capacity to include persons with developmental disabilities.
- Implement an integrated approach to income support and employment training to better help eligible low-income Albertans to meet their core living needs and to prepare for, get and keep jobs, while providing ongoing support to those unable to work.

Measures

	Last Actual		Target	Target	Target
	Results	**Year**	**2004-05**	**2005-06**	**2006-07**
Economic Status of Albertans Percentage of Albertans living at or above the Market Basket Measure (MBM) low-income threshold (provincial rank).	88% (2nd)	2000	Among the top three provinces		
Persons with Developmental Disabilities (PDD) Funded Services Satisfaction, by families/guardians of persons with developmental disabilities, with PDD-funded services (biennial survey).	88.7%	2002-03	91%	n/a	91%
Alberta Seniors Benefit (ASB) Percentage of seniors provided with the opportunity to apply for ASB (Baseline data collection commenced April 2003).	New	-	To be determined once baseline is established		

n/a – not applicable (biennial survey)

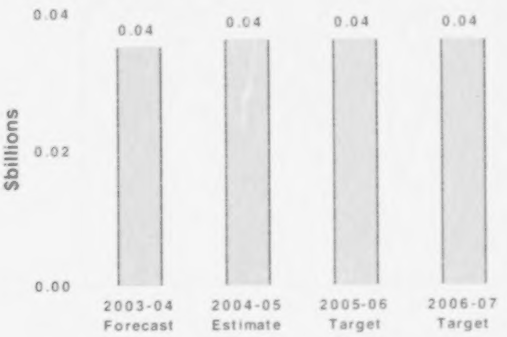
GOAL FIVE

Aboriginal communities and people in Alberta will have improved social and economic circumstances

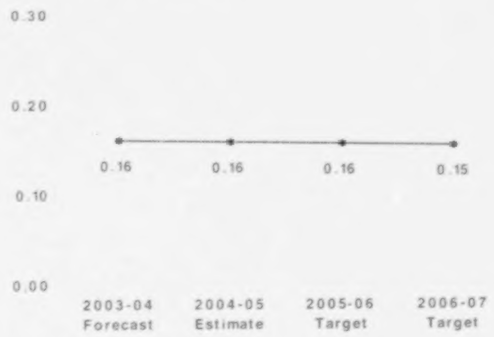
What it means Section 35 of the Constitution of Canada recognizes the Aboriginal people of Canada and acknowledges existing Aboriginal and Treaty rights. The province has developed specific relations with Aboriginal governments, organizations and communities in Alberta. Through the *Aboriginal Policy Framework*, the government is committed to increasing the participation of Aboriginal people in the social and economic life of Alberta, its regions and the communities in which they live and work. Improving the social and economic circumstances of Aboriginal communities and people results in improved quality of life and contributes to the Province's long-term vision, where Aboriginal Albertans have achieved a socio-economic status equivalent to that of other Albertans. Aboriginal health and learning issues are addressed in other goals of the Government Business Plan.

Link to fiscal plan This goal links to the part of the Regional Planning and Development function of the government's Fiscal Plan that includes spending of the Aboriginal Affairs and Northern Development ministry.

Goal Five Expense



Percent of Total Expenses



Strategies

- Work towards achieving the objectives and targets set out in the Aboriginal Policy Initiative. See pages 31-33.
- Respond to the commitments in the *Aboriginal Policy Framework* to improve individual and community well-being and self-reliance by working with Aboriginal communities, other governments, the private sector and other interested parties.
- Improve individual and community well-being and self-reliance by working with the Metis Settlements General Council and individual Metis Settlements, other governments, the private sector and other interested parties.
- Continue to clarify federal, provincial and Aboriginal roles and responsibilities by ensuring jurisdictional issues are addressed during the development of policies and programs and by working with the federal government and First Nations to remove jurisdictional and regulatory barriers.
- Implement consultation strategies with Aboriginal people in the resource management sector, pursuant to the *Aboriginal Policy Framework*.

GOAL FIVE 5

Aboriginal communities and people in Alberta will have improved social and economic circumstances

Measures

	Last Actual Results	Last Actual Year	Target 2004-05	Target 2005-06	Target 2006-07
Participation in the Economy					
Difference in participation rates of Aboriginal people and non-Aboriginal people in the economy.					
Aboriginal	68.1%	2001	Reduce the difference in the participation rates of Aboriginal people and non-Aboriginal people to 4% by 2006		
non-Aboriginal	73.4%				
Difference	5.3%				
Participation in the Economy					
Participation rates by Aboriginal component group and gender.	New		To be determined once baseline is established		
Source of Income					
Difference in proportion of income received from government transfers by Aboriginal people compared to non-Aboriginal people.					
Aboriginal	14%	2001	Reduce the difference in the proportion of income received from government transfers by Aboriginal people compared to non-Aboriginal people to 4% by 2006		
non-Aboriginal	9%				
Difference	5%				
Aboriginal Affairs					
Public approval rating on Aboriginal issues compared to the average of the four nearest provinces.	12% higher than the average of the four nearest provinces	2002	Higher than the average of the four nearest provinces (British Columbia, Saskatchewan, Manitoba, Ontario)		

core business

Prosperity ...

The goals for the ***Prosperity*** core business focus on protecting the quality of life in Alberta through the government's priorities for our economy, resources, local government sector, and the province's financial and intergovernmental position.

READER'S GUIDE

The *2004-07 Government Business Plan* has 12 goals and each goal has four main sections:

What it means contains a description of the goal and what the government is doing on an ongoing basis relative to the goal.

Link to the fiscal plan indicates which ministries financially contribute to achieving the goal, and the annual total provincial contribution directed towards the goal.

Strategies detail how the government plans to reach the goal. The strategies are specific and traceable to ministry business plans.

Measures and Targets include a suite of measures to track progress towards achieving the goal. Targets are established based on what the government would like to achieve given budget resources.

GOAL SIX

Alberta will have an effective, responsive and well-managed local government sector

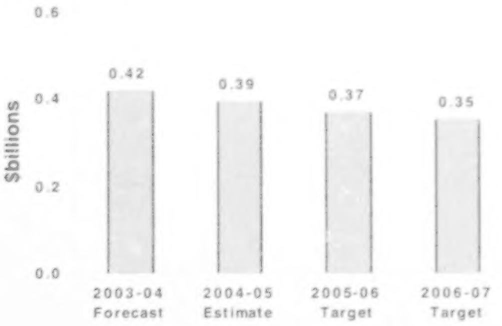
What it means

Municipalities provide a broad range of services to Albertans where they live, work and participate in recreational activities. The Alberta government assists municipalities through policies and programs that encourage the development of strong and vibrant communities. Funding is provided by the provincial government to a variety of local government entities throughout the province. The province partners with municipalities to maintain open, effective and accountable local governments.

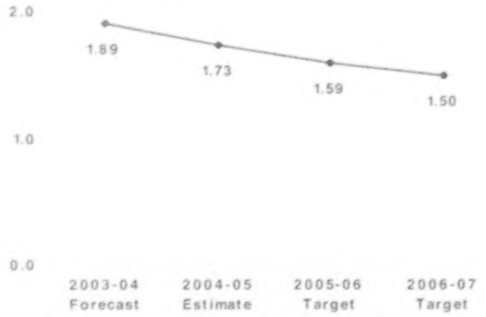
Link to fiscal plan

This goal links to the part of the Regional Planning and Development function of the government's Fiscal Plan that includes spending of the following ministries: Finance and Municipal Affairs.

Goal Six Expense



Percent of Total Expenses



Strategies

- Support the Minister's Provincial/Municipal Council on Roles, Responsibilities and Resources in the 21st Century to refine the government's working relationship with municipalities and support a mechanism to address major municipal-provincial issues.
- Review provincial land-use policies to determine the applicability of Smart Growth principles.
- Administer the Unconditional Municipal Grant Program, Municipal Sponsorship Program, the Grants in Place of Taxes Program, the Municipal Debenture Interest Rebate Program and other existing municipal grant programs. Modify existing grant programs and develop new grant initiatives where enhanced support for local government communities is appropriate.
- Support the property assessment system so that it results in more accurate, timely and understandable assessments to ensure a sustainable base for generation of property tax revenue.
- Assist municipalities in addressing the challenges of climate change by supporting energy efficiency and conservation.
- Maintain a mechanism for municipalities to obtain preferential debenture financing for capital expenditures.

GOAL SIX 6

Alberta will have an effective, responsive and well-managed local government sector

Measures

	Last Actual Results	Last Actual Year	Target 2004-05	Target 2005-06	Target 2006-07
Albertans' Satisfaction with their Local Governments Percentage satisfied.	79.6%	2002-03	75%	75%	75%
Municipal Financial Accountability Municipalities meeting the criteria of financial accountability.	98%	2002-03	97%	97%	97%
Local Authorities' Cost of Borrowing from ACFA* Rank of borrowing costs relative to borrowing costs of other Canadian municipalities within the viability of the Corporation.	Lowest**	2002-03	Lowest	Lowest	Lowest
Local Authorities' Satisfaction with ACFA* Percentage of local authorities satisfied with lending policies and efficiency of ACFA (biennial survey).	83%	2001-02	n/a	85%	n/a

* Alberta Capital Finance Authority, formerly Alberta Municipal Financing Corporation.

** Lowest at short and long-term maturities, but slightly higher than the lowest rate in Canada for mid-term rates (i.e., 5 and 10 years).

n/a – not applicable (biennial survey)

GOAL SEVEN

Alberta will have a prosperous economy

What it means

Sustainable economic growth and prosperity are essential to maintaining and improving Albertans' overall quality of life. The government promotes development of and investment in the province's renewable and non-renewable natural resources including its oil, natural gas, minerals, forestry, and agricultural and food industries. Alberta's natural resources must be managed in a manner that is fair and in the public interest of Albertans. Alberta's forests, fish and wildlife, water, land and air must be sustained for the economic, recreational and social benefits of future generations.

Innovation, value-added diversification and global competitiveness are key for sustaining the momentum of Alberta's economy. To help strengthen Alberta's economy and enhance its long-term economic stability, the government encourages growth of the province's value-added sectors, international exports and tourism.

The government promotes Alberta as an attractive trading partner and provides market intelligence and business services to internationally active Alberta companies. To maintain Alberta's competitive advantage, the government builds relations with foreign governments, and works to remove barriers to trade and investment through domestic and international trade negotiations.

Alberta's transportation system is an integral part of the province's export-based economy, facilitating the flow of goods to local, national and international markets. Timely preservation and maintenance of the highway network will ensure efficiency and effectiveness in transporting people and goods. Alberta works with other provinces and the federal government to reduce transport-related barriers and costs for shippers, carriers and consumers, as well as to help ensure the viability of Alberta's air transport system. The government supports municipal transportation and water/wastewater facilities through municipal grants. Support for infrastructure facilities plays an important role in sustaining Alberta's economic prosperity. The government also supports Alberta SuperNet, a high-speed broadband information and communications technology (ICT) infrastructure that provides opportunities for Alberta businesses to grow and prosper by enabling greater access to high-speed, broadband communications. (See Goal 12).

Continued improvements in the skills and productivity of the workforce are necessary for maintaining and enhancing Alberta's competitive advantage. The government promotes human resource development and productivity through the provision of labour market analysis and information, labour force planning and development, and the removal of international and inter-provincial barriers to labour mobility. As well, the government ensures that Alberta's laws encourage the competitiveness and productivity of Alberta's workforce.

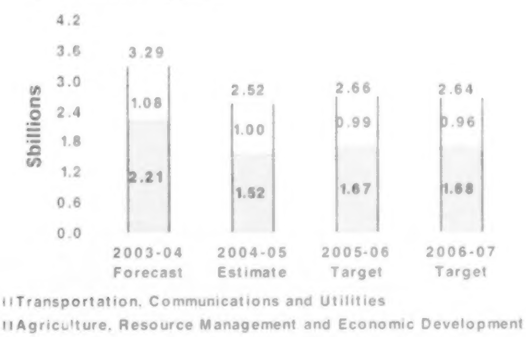
An attractive tax, fiscal and regulatory climate contributes to the province's prosperity. Taxes must also be competitive with those in other provinces and countries with which Alberta competes, in order to attract the investment, jobs and skilled workers necessary to keep our economy performing well. Effective registry systems promote Albertans' confidence in conducting business transactions and support existing and new businesses through registration of their corporate interests. The government works to ensure that policies related to Alberta's gaming and liquor industries achieve a balance between choice, social responsibility and economic benefit, and that the integrity of those industries is maintained.

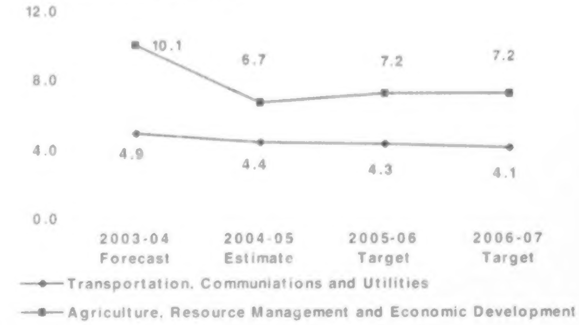
GOAL SEVEN

Alberta will have a prosperous economy

Link to fiscal plan

This goal links to the Agriculture, Resource Management and Economic Development function and the Transportation, Communications and Utilities function of the government's Fiscal Plan which include spending of the following ministries: Agriculture, Food and Rural Development, Economic Development, Energy, Gaming, Government Services, Human Resources and Employment, Infrastructure, Innovation and Science, Learning, Municipal Affairs, Revenue, Sustainable Resource Development and Transportation.


Goal Seven Expenses


Percent of Total Expenses

Strategies

- Work to achieve the objectives and targets set out in the Aboriginal Policy Initiative and Economic Development Strategy. See pages 31-33 and 37-39.
- Encourage investment in new development and expanded production of Alberta's oil sands. Support research into reducing the use of natural gas in oil sands production, and encourage the development of new petrochemical feedstock supplies from oil sands upgrading and processing.
- Encourage the development of new energy sources including natural gas in coal (coal bed methane), and other alternatives (e.g. wind, biomass, hydrogen), and improved recovery from existing conventional oil and gas reserves.
- Support the implementation of the Alberta Energy Innovation Strategy related to focused, mission-oriented research and innovation in the areas of: oil sands extraction, upgrading and reclamation; clean carbon/coal; CO^2 management; improved recovery; alternate energy; and water management.
- Complete mineral mapping of northern Alberta for stakeholders' use.
- Streamline and improve the energy, environmental and resource management regulatory system so that Alberta has an efficient regulatory system that enables economic growth while ensuring environmental quality.
- Develop approaches to assist government in managing its natural resources in a sustainable manner, specifically, by designing and testing a biodiversity monitoring system.
- Provide a sound framework for the planning and development of industrial and commercial access on public land through provincial policy and guidelines supported by appropriate legislative mechanisms.
- Implement the Federal/Provincial Agricultural Policy Framework and the Agriculture Growth Strategy to help position the agriculture industry for the future.

GOAL SEVEN

Alberta will have a prosperous economy

Strategies

- Implement the Agricultural Research and Innovation Strategy to facilitate long-term industry growth, profitability and environmental sustainability.
- Implement Securing Tomorrow's Prosperity, a value-added strategy aimed at creating a sustainable, globally competitive economy by: enhancing Alberta's current competitive advantages; building Alberta's innovation system; growing and strengthening small and medium enterprises, and focusing on key value added sectors.
- Support the expansion of Alberta's tourism industry by marketing Alberta as a world-renowned tourist destination and by improving and supporting Alberta's tourism products, policies and regulatory environment and infrastructure.
- Implement Alberta's International Marketing Strategy (AIMS 2003), which directs Alberta's international trade and investment initiatives based upon the priority ranking of various global markets.
- Promote the building of knowledge-based industries by investing in research and development, enabling technology commercialization and the introduction of new products, processes and services into the marketplace.
- Enhance the capability and capacity of Alberta's research system in the areas of energy, information and communications technology and life sciences, including investments in nanotechnology, hydrogen fuel cells, wireless communications technologies, bio-medical, bio-products, bio-energy, genomics and proteomics.
- Remove or reduce barriers to national and international trade and investment with particular reference to the softwood lumber dispute and border closures for beef and other products resulting from the identification of two occurrences of Bovine Spongiform Encephalopathy.
- Enhance safety and reduce travel time through highway system measures such as the overall integration of geometrics, traffic signals, pavement markings, and other specialties such as rest areas and changeable message signs.
- Work with other jurisdictions across Canada to develop a national transportation strategy and a national aviation strategy.
- Develop partnerships to meet Alberta's human resource development needs, including strategies which focus on skills shortages, workforce planning, supporting increased workforce productivity and improving relationships with workplaces.
- Implement Growing our Future: An Integrated Life Sciences Strategy for Alberta, aimed at accelerating the growth of Alberta's life sciences sector.
- Support the development of Alberta's economy by promoting the use of innovative applications that take full advantage of the Alberta SuperNet.
- Lead and actively promote the development and implementation of an efficient and cost effective inter-provincial system of securities regulation.

GOAL SEVEN

Alberta will have a prosperous economy

Measures

	Last Actual		Target	Target	Target
	Results	**Year**	**2004-05**	**2005-06**	**2006-07**
Gross Domestic Product (GDP) Three-year average annual growth rate in current dollars.	9.2%	2000-02	4%	4%	4%
Job Growth Net jobs created since January 2000.	120,500	Jan. 2000 to Dec. 2002	240,000 by December 2005		
Labour Productivity Real GDP in dollars per hour worked (inter-provincial rank).	$56.20 (highest)	2002	Highest among the provinces		
Labour Force Participation Rate Labour force as a percentage of the working age population.	73%	2002	Highest among the provinces		
Business Connectiveness Inter-provincial rank of the percentage of Alberta households that use the Internet at work.	highest	2001	Among the top three provinces		
Sponsored Research at Alberta Universities	$437.5 million	2001-02	$492 million	$525 million	$562 million
Value-Added Industries Percentage of real GDP contributed by manufacturing and knowledge-intensive industries.	29.3%	2001	Increasing percentage		
Export Trade International value-added exports including manufactured goods, tourism and other services, measured in current dollars.	$21.4 billion	2002	$22.7 billion	$24.7 billion	$26.9 billion
Tourism Industry Revenue Tourism expenditures made in Alberta measured in current dollars.	$5.4 billion*	2002	$5.3 billion	$5.7 billion	$5.9 billion
Personal Disposable Income Dollars per capita (inter-provincial rank).	$24,832 (highest)	2002	Among the top two provinces		
Barriers to Trade Softwood lumber dispute resolution.	New	-	A long-term solution by December 31, 2005		
Industrial Disposition Planning Percentage of active oil and gas industrial dispositions subject to Area Operating Agreements.**	24%	2002-03	35%	35%	35%
Biodiversity Monitoring System Designing and testing a biodiversity monitoring system.	New	-	Biodiversity monitoring system designed and tested by 2006		
Oil Sands Production Measured in thousands of barrels per day.	740.3	2002	Increasing production		

* Estimate.

** Area Operating Agreements facilitate long term, integrated land use planning among industries on a common landscape.

GOAL EIGHT

Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada

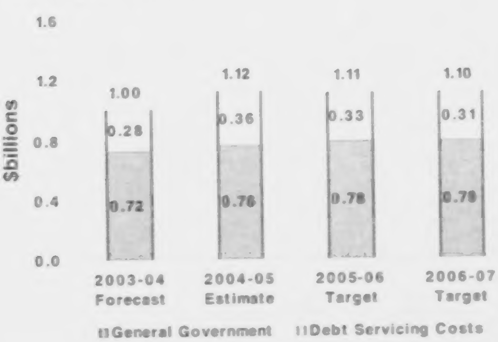
What it means Financial stability is essential for the government to be able to provide the programs and services that are important to Albertans now and in the future. The government will continue to balance the budget in accordance with the *Fiscal Responsibility Act*, while keeping taxes low, and to eliminate the province's accumulated debt. As part of the new fiscal framework, the Alberta Sustainability Fund has been established to cushion spending plans from volatile energy revenues and the costs of emergencies and disasters. The new fiscal framework also includes a three-year capital plan, which allows funding of capital from the Capital Account and alternative financing arrangements, in addition to current year revenue.

Alberta's tax system must be fair, globally competitive and promote self-reliance. Alberta is the only province without a capital tax, general payroll tax or retail sales tax. Alberta has a low single rate income tax and the lowest tax on gasoline in the country.

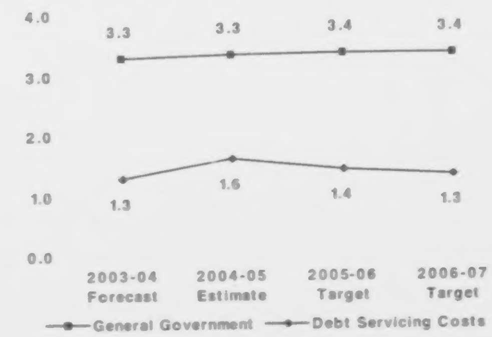
The government promotes open, simple and responsive management of and access to government information and services for Albertans in a manner of their choice. As well, the government continues to promote efficiencies to reduce the cost of delivering programs and services through sharing corporate administration systems. Through entities like the Alberta Corporate Service Centre, opportunities are enhanced to realize cost savings. The condition of government-owned buildings is monitored to protect taxpayers' investment (see goal 12). Through a strong public service, the government is dedicated to effective management of public policy and providing quality, affordable services for Albertans. The government works to advance the province's interests in the Canadian federation. The creation of new intergovernmental institutions such as the Council of the Federation and the Alberta-B.C. Protocol of Cooperation provide new opportunities for Alberta and other provinces to work collaboratively to pursue greater government efficiencies and improve services to citizens. Other opportunities such as the annual First Ministers' Meetings provide a forum for Alberta to influence the national agenda. The government's commitment to be open and accountable is legislated in the *Government Accountability Act*.

Link to fiscal plan This goal links to the General Government and Debt Servicing Costs functions of the government's Fiscal Plan which include spending of the Legislative Assembly and its Offices, and the following ministries: Agriculture, Food and Rural Development, Energy, Executive Council, Finance, Government Services, Human Resources and Employment (Personnel Administration Office), Infrastructure, Innovation and Science, International and Intergovernmental Relations, Learning, Municipal Affairs, Revenue and Seniors.

Goal Eight Expenses



Percent of Total Expenses



GOAL EIGHT

Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada

Strategies

- Improve federal/provincial fiscal arrangements to ensure that Alberta receives its fair share of federal spending and that key federal programs and initiatives reflect Alberta's interests.
- As affordable, complete implementation of the Business Tax Plan to reduce the general corporate income tax rate from 11.5% to 8%.
- Review Alberta's non-renewable energy royalty regime to ensure Albertans continue to receive a fair share from the development of these resources, while continuing to encourage future industry investment.
- Develop and maintain a revenue management framework including long-term revenue projections as an analysis of Alberta's revenue sources.
- As affordable, ensure that the Heritage Fund grows with inflation over time.
- Under the leadership of the Corporate Chief Information Officer, implement the e-Government Strategy, aimed at enhancing access to government services.
- Through Service Alberta, continue to develop a service environment that enables Albertans to access government information and services in a manner of their choice.

Measures

	Last Actual Results	Last Actual Year	Target 2004-05	Target 2005-06	Target 2006-07
Intergovernmental Relations Public approval rating in federal-provincial relations compared to the average of four nearest provinces.	14% higher than average	2002	On par with the four nearest provinces (British Columbia, Saskatchewan, Manitoba, Ontario)		
Provincial Credit Rating Blended credit rating for domestic debt.	AAA	2002-03	AAA	AAA	AAA
Accumulated Debt (less cash set aside for future debt repayment).	$4.7 billion	2002-03	$3.0 billion	$2.7 billion	$2.7 billion
Tax Load Total provincial and municipal tax load as a percentage of the Canadian average (inter-provincial rank).	76.7%* (lowest)	2002-03	Lowest among the provinces		
Government Financial Accountability Percentage of Albertans who think they get enough information on the government's financial performance.	63%	2002-03	70%	70%	70%

* Federal Department of Finance, 3rd estimate for 2002-03, February 2003; Alberta Finance.

core business

Preservation ...

The goals for the ***Preservation*** core business reflect the government's priorities for community safety, the environment, and our natural, historical and cultural resources.

READER'S GUIDE

The *2004-07 Government Business Plan* has 12 goals and each goal has four main sections:

What it means contains a description of the goal and what the government is doing on an ongoing basis relative to the goal.

Link to the fiscal plan indicates which ministries financially contribute to achieving the goal, and the annual total provincial contribution directed towards the goal.

Strategies detail how the government plans to reach the goal. The strategies are specific and traceable to ministry business plans.

Measures and Targets include a suite of measures to track progress towards achieving the goal. Targets are established based on what the government would like to achieve given budget resources.

GOAL NINE

Alberta will be a fair and safe place to work, live and raise families

What it means

Albertans want communities in which they can live and raise families in safety and security without fear of personal or property crime, victimization or discrimination. This requires protection of human rights and personal privacy, crime prevention, services to victims of crime, effective policing, a strong and effective prosecution service, an accessible court system, cost effective and accountable correctional services, and partnerships with the judiciary, police, and other stakeholders. Effective protection of people and property from wildfire is also an important part of this goal.

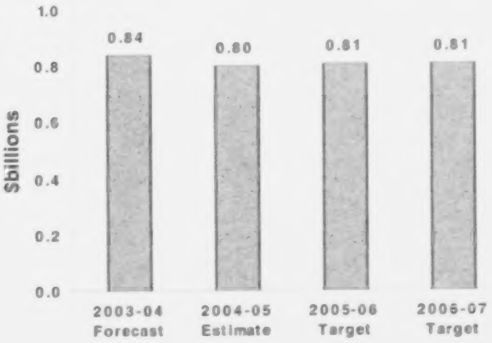
Effective consumer legislation, coupled with awareness and protection programs targeted at those who are most vulnerable, help promote confidence in a fair marketplace. Albertans, as consumers of gas and electricity, are protected through the Utilities Consumer Advocate, who works to ensure consumers' concerns are heard at regulatory proceedings.

Albertans expect their government to implement measures that mitigate risks to public safety. They want their communities prepared for, and able to respond to and recover from, whatever unforeseen events may occur. Traffic safety is part of a safe society and the Alberta government works to improve traffic safety through licensing and registration, education, legislative initiatives, and enforcement. Monitoring of the commercial carrier industry and dangerous goods transport and handling helps to enhance public safety. Albertans want assurance that buildings, equipment and facilities are constructed and maintained to high standards. Albertans also want workplaces that are healthy, fair, safe and stable for employees and employers. The Alberta government has a responsibility to ensure that professional associations are governed in the public interest and workplaces function within a positive and stable labour relations environment.

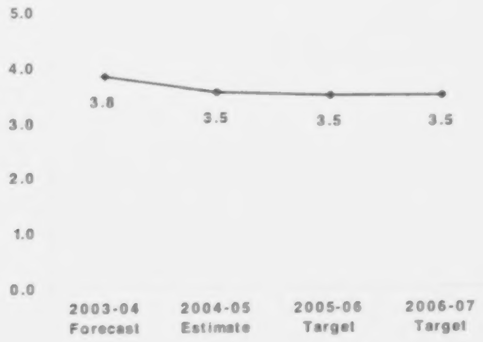
Link to fiscal plan

This goal links to the Protection of Persons and Property function of the government's Fiscal Plan, which includes spending of the following ministries: Community Development, Finance, Government Services, Human Resources and Employment, Justice, Municipal Affairs, Revenue, Solicitor General, Sustainable Resource Development and Transportation.

Goal Nine Expense



Percent of Total Expenses



GOAL NINE

Alberta will be a fair and safe place to work, live and raise families

Strategies

- Work towards achieving the objectives and targets set out in the following cross-ministry initiatives: Aboriginal Policy Initiative, Alberta Children and Youth Initiative and the Economic Development Strategy. See pages 31-39.
- Protect human rights by delivering services to resolve and adjudicate complaints of alleged discrimination, inclusive of statutory compliance.
- Support the development of awareness, understanding and capacity of individuals, organizations, communities and workplaces that contribute to building a society that is respectful of human rights and diversity and that is free of discrimination.
- Implement *Work Safe Alberta* to reduce workplace incidents. In partnership with industry, labour, safety associations and the Workers' Compensation Board, reduce injuries and fatalities on Alberta worksites by 40% through a series of enhanced enforcement, education and awareness activities.
- Assist labour and management in unionized workplaces in Alberta to resolve issues by fostering effective workplace relationships, workplace innovation and alternative dispute resolution strategies. Where necessary, provide mediation and arbitration support for the resolution of labour-management disputes.
- Implement a strategy to address approved recommendations arising from the MLA review of Policing, Victims, and Correctional Services.
- Improve access to justice through the use of technology, early case resolution, alternatives to the traditional justice system, and the provision of effective forums for dispute resolution.
- Administer a safety system that promotes fire protection and strives to ensure buildings and equipment are constructed and maintained to safe standards.
- Lead the development and maintenance of the Government of Alberta Crisis Management, Consequence Management, and departmental Business Continuity plans, ensuring policies and procedures are in place to protect citizens, assets and infrastructure from a full range of emergencies.
- Improve road user behaviors and vehicle safety by enhancing monitoring of medically at-risk drivers, managing intervention programs aimed at high-risk drivers, developing an aging driver strategy and continuing implementation of the *Traffic Safety Act* for overall improved highway safety.
- Implement strategies to enhance the focus on serious, violent, and organized crime including an integrated response to organized crime and gangs in Alberta, a strategy to address the exploitation of children via the Internet, the National Sex Offender Registry, and the Provincial Organized and Serious Crime Strategy.
- Provide proactive programs to assist families, communities and employers in preventing and treating substance abuse and problem gambling in the home and the workplace.
- Reduce the risk and potential damage caused by wildfires within the Forest Protection Area by actively incorporating FireSmart practices and principles within communities, in cooperation with community stakeholders.

GOAL NINE

Alberta will be a fair and safe place to work, live and raise families

Measures

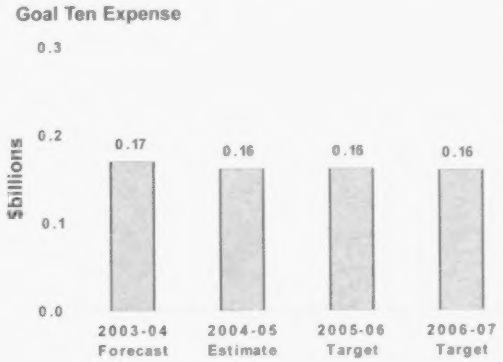
	Last Actual Results	Last Actual Year	Target 2004-05	Target 2005-06	Target 2006-07
Workplace Lost-Time Claim Rate Number of lost-time claims per 100 person-years worked.	3.0	2002	2.0 or lower in 2004	2.0 or lower in 2005	2.0 or lower in 2006
Effectiveness of Human Rights Protection Adult Albertans' perception of the effectiveness of human rights protection in Alberta.	83.7%	2002-03	86%	86%	86%
Violent Crime Rate Alberta's violent crime rate per 100,000 population.	1,077 (lowest)	2002	Lowest of four western provinces		
Property Crime Rate Alberta's property crime rate per 100,000 population.	4,663 (lowest)	2002	Lowest of four western provinces		
Perception of Safety in the Neighbourhood Percentage of Albertans who feel "reasonably safe" to "very safe" walking alone in their neighbourhoods at night.	77%	2002-03	82%	82%	82%
Work Stoppages Percentage of collective bargaining agreements settled without a work stoppage.	93.2%	2002-03	98%	98%	98%
Involvement of Drinking Drivers in Fatal Collisions Percentage of fatal collisions involving drinking drivers.	20.7%	2002	20.0%	19.9%	19.7%
Harmonized Securities Legislation Legislation for highly harmonized securities across Canada	New	-	Proposal developed	Legislation adopted	
Wildfire Prevention Number of human-caused fires within Alberta's forest protection area.	443	2002	less than 300	less than 300	less than 300

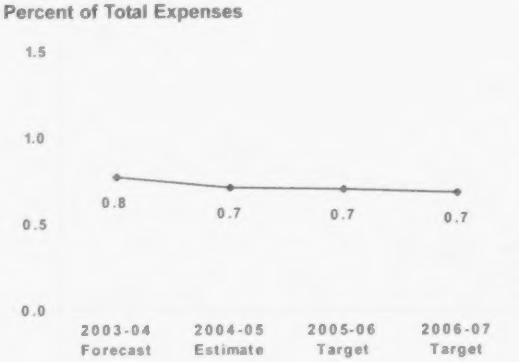
GOAL TEN

The high quality of Alberta's environment will be sustained

What it means Albertans enjoy many benefits from their environment. Clean air, water and land are basic to our health, communities and quality of life. The environment also supports economic activity such as agriculture, forestry, tourism and recreation. Albertans expect our environment to be managed and protected as a legacy for future generations. Although all Albertans are responsible for the environment through their actions as individual citizens, the government takes a leadership role in developing a comprehensive approach and fosters shared responsibility for environmental management and stewardship. As environmental challenges become more complex, the government responds with new strategies and innovation, and encourages improvement of standards and practices.

Link to fiscal plan This goal links to the Environment function of the government's Fiscal Plan, which includes spending of the following ministries: Energy, Environment and Human Resources and Employment.





Strategies

- Implement Alberta's water strategy, Water For Life: Alberta's Strategy for Sustainability.
- Implement the strategy, Albertans and Climate Change: Taking Action to address climate change, while supporting a sustainable future and maintaining a prosperous economy.
- Strengthen Alberta's comprehensive approach to resource and environmental management including cross-government policy development and implementation.
- Establish a comprehensive, flexible set of regulatory and non-regulatory tools and incentives to encourage, support and reward effective environmental performance, including the streamlining and improvement of the energy, environmental and resource management regulatory system so that Alberta has an effective system that ensures environmental quality.
- Implement shared responsibility for the environment through cooperation and partnership among stakeholders.
- Work with stakeholders to further develop shared environmental outcomes as well as appropriate, timely access to information on environmental quality and performance.
- Implement the Municipal Waste Action Plan to promote increased stewardship and the reduction of wastes going to municipal landfills throughout Alberta.
- Implement place-based environmental management that recognizes natural boundaries for water, land and air, along with the need to consider cumulative effects of the full range of activities taking place.

GOAL TEN 10

The high quality of Alberta's environment will be sustained

Measures

	Last Actual Results	Last Actual Year	Target 2004-05	Target 2005-06	Target 2006-07
River Water Quality Index Index of four groups of water quality variables (metals, bacteria, nutrients and pesticides) at two locations for each of the province's six major river systems.	10 out of 12 sites with improved river water quality	2001-02	Maintain overall river water quality		
Drinking Water Safety Indicator Indicates the performance of waterworks facilities in delivering safe drinking water.	New	-	To be determined		
Greenhouse Gas Emissions Intensity Compares total annual greenhouse gas emissions across Alberta relative to total provincial gross domestic product.	87% of 1990 levels	2001-02	Cut the greenhouse gas emissions intensity in half by 2020 relative to 1990 levels		
Air Quality Index Index of outdoor concentrations of five major air pollutants monitored at nine stations across the province.	"Good" 97%	2001-02	Maintain "good" air quality days equal to or greater than 97 percent of the time		
Municipal Solid Waste to Landfills Municipal solid waste disposal to landfills (kilograms per capita).	752 kg	2001-02	Reduce municipal solid waste disposal to landfills to 500 kilograms per capita by 2010		

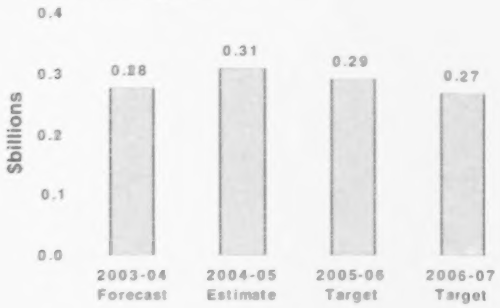
GOAL ELEVEN

Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas

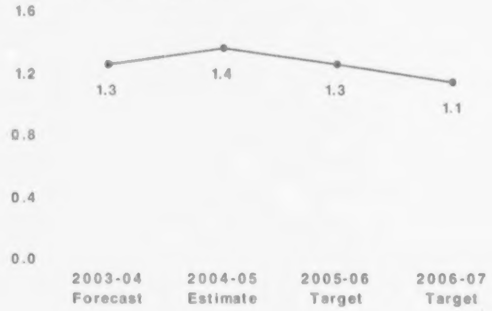
What it means Albertans' opportunities to participate in community and cultural activities and their enjoyment of the province's historical resources and parks and protected areas are essential elements of a high quality of life. The government facilitates participation in community activities through supporting volunteerism, community service organizations, public libraries, and sport and recreation activities. The government also facilitates Albertans' participation in cultural activities through supporting the artistic development of individuals and enhancing public access and participation in the arts. The government assists community-based heritage initiatives and actively preserves, protects and presents Alberta's history and culture at provincial historic sites, museums, interpretive centres and archives. The government also preserves and protects a network of provincial parks and protected areas to preserve the province's natural heritage and provide opportunities for heritage appreciation, outdoor recreation and heritage tourism. Alberta Lottery Fund supports volunteer, public and community-based initiatives.

Link to fiscal plan This goal links to the Recreation and Culture function of the government's Fiscal Plan, which includes spending of the following ministries: Community Development, Gaming and Infrastructure.

Goal Eleven Expense



Percent of Total Expenses



Strategies

- Enhance the capacity of organizations to fulfill their mandates and objectives through organizational development support in the areas of leadership development, financial management, partnership development and program delivery.
- Facilitate awareness and appreciation in the areas of the arts, sport and recreation, libraries and the voluntary sector to maintain an environment for participation in, and contributions to, activities that enhance the quality of life in Alberta.
- Coordinate Alberta's 2005 Centennial program in partnership with foundations, communities, non-profit organizations, municipalities and the federal government to provide opportunities for Albertans to participate in the celebrations and leave a legacy for future generations.
- Continue to develop the Collections and Exhibits Infrastructure Management System and explore alternative approaches to infrastructure management system development.
- Investigate, identify and implement steps to increase self-generating revenues for facility/program reinvestment partnerships, and pursue external funding opportunities for the enrichment of the heritage and cultural facilities network.

GOAL ELEVEN

Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas

- Develop and implement a revitalization strategy for heritage appreciation that includes education and interpretive and marketing strategies to increase Albertans' awareness and appreciation for Alberta's provincial parks and protected areas.
- Increase opportunities for volunteer involvement and new partnerships to enhance research, monitoring and the provision of services at provincial parks and protected areas.
- Develop an updated parks system plan and strategic direction for the management and protection of Alberta's provincial parks and protected areas.

Measures

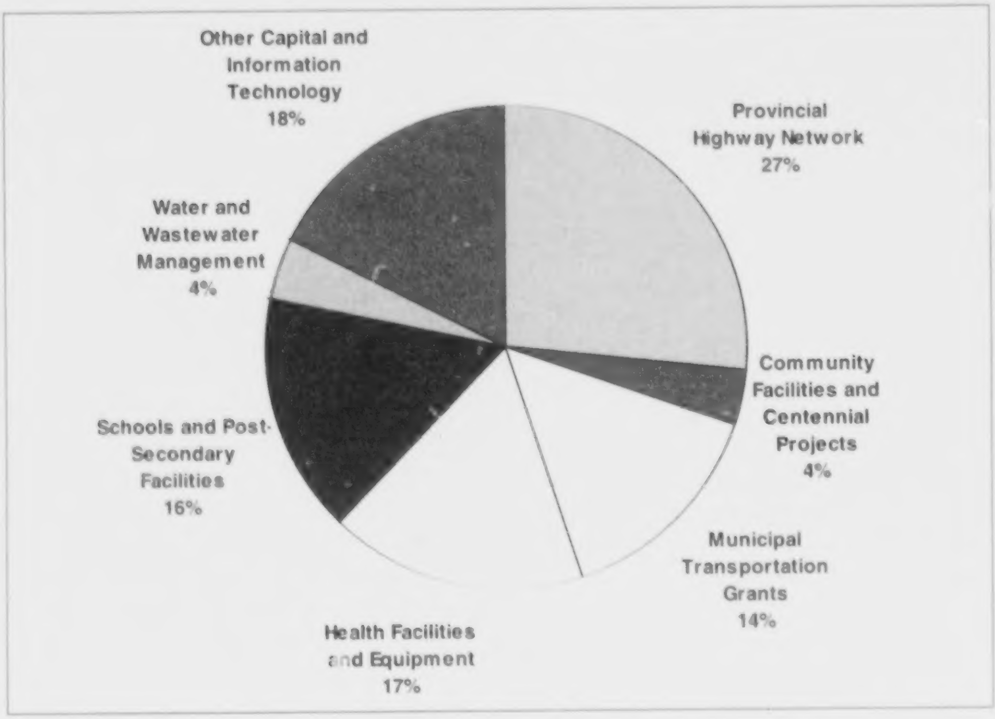
	Last Actual Results	Last Actual Year	Target 2004-05	Target 2005-06	Target 2006-07
Level of Community Volunteerism Level of community volunteerism by adult Albertans.	70.6%	2002-03	73%	73%	73%
Sport and Recreation Participation Participation in sport and recreational activities by adult Albertans.	82.6%	2002-03	85%	85%	85%
Public Library Use Usage of public library services by adult Albertans.	52.8%	2002-03	54%	54%	54%
Participation in Arts and Cultural Activities Participation in arts and cultural activities by adult Albertans.	89.2%	2002-03	90%	90%	90%
Film Production Employment Opportunities Impact of support provided by the Alberta Film Development Program: Number of film production employment opportunities for Albertans.	1,740	2002-03	2,950	2,950	2,950
Visitor Satisfaction with Provincial Historic Sites, Museums and Interpretive Centres Satisfaction of visitors with experiences at provincial historic sites, museums and interpretive centres.	97.9%	2002-03	99%	99%	99%
Visitor Satisfaction with Provincial Parks and Recreation Areas Satisfaction of visitors with experiences at provincial parks and recreation areas.	87.1%	2002-03	To be determined		

Infrastructure ...

The goal for **Infrastructure** reflects the government's commitment to maintain and develop government-owned and government-supported infrastructure.

2004-07 Capital Plan

$6.5 billion



Goal 12, Infrastructure, is based on the Capital Plan, which was introduced in Budget 2003 as part of the government's new fiscal framework. The new framework brings more certainty to capital planning.

The infrastructure goal is on a different basis than the other 11 goals. Unlike goals 1 to 11, the infrastructure goal shows the total value of capital being acquired or directly supported by the provincial government.

For more information, readers are encouraged to refer to the 2004-07 Fiscal Plan and the chapter on the Capital Plan.

GOAL TWELVE

Alberta will have effective and sustainable government-owned and supported infrastructure

What it means Effective and sustainable infrastructure is essential to support the achievement of the province's other goals and to achieving the vision of a vibrant and prosperous province where Albertans enjoy a superior quality of life.

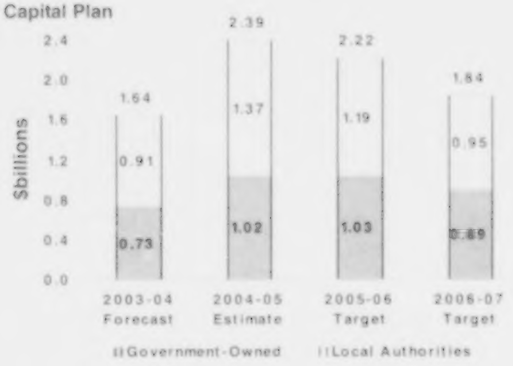
The government provides capital for: health facilities and equipment; school facilities; post-secondary facilities; the provincial highway network; municipal transportation grants; water and wastewater management; community facilities; government-owned facilities, equipment and inventories; housing programs and other priority infrastructure needs.

Alberta has been experiencing rapid economic and population growth, placing the province's infrastructure under pressure. In addition, the infrastructure is aging and reinvestment is required to ensure that the integrity of existing infrastructure is maintained and the public investment is preserved.

Link to fiscal plan This goal links to the Fiscal Plan through the Capital Plan. The Capital Plan represents the total value of capital being acquired or directly supported by the provincial government. The Capital Plan includes grants to local authorities for capital purposes, which are also reported as program expense where appropriate under the other 11 goals, spending on provincial government-owned capital, and the value of projects being alternatively financed. It does not include capital amortization and financing costs.

The Capital Plan draws from three sources: current-year revenue, the Capital Account established in 2003, and alternative financing arrangements which could include public-private partnerships, capital leases, and capital bonds. The 3-Year Capital Plan sets out the government's capital commitment to:

- Infrastructure projects and purchases of equipment by school boards, post-secondary institutions, health authorities, municipalities and other local authorities and organizations, and
- Capital investment in government-owned infrastructure, equipment and inventories, and funding to rehabilitate government capital.



GOAL TWELVE

Alberta will have effective and sustainable government-owned and supported infrastructure

Strategies

- Provide Albertans with effective and efficient health facilities by working with health authorities to meet growth needs for new facilities including alternative financing arrangements such as public-private partnerships and the effective preservation of existing infrastructure.
- Enhance health research and development capacity in Alberta through capital projects such as the Health Research Innovation Centres at the Universities of Calgary and Alberta, the Alberta Heart Institute in Edmonton, and the new Alberta Children's Hospital in Calgary.
- Invest in the development of a national Nanotechnology Institute in Alberta.
- Evaluate and implement options such as public-private partnerships and multi-purpose facilities that meet the needs for new school facilities in high growth areas and provide effective and sustainable school facilities for all Alberta students.
- Improve the highway network in Alberta through proper maintenance and rehabilitation, enforcing truck weights and dimensions to protect the integrity of the infrastructure, and undertake strategic improvements to the highway system, such as four-laning, widening and constructing interchanges to improve safety and reduce travel time.
- Continue to develop the North-South Trade Corridor from the United States border at Coutts, to the British Columbia border west of Grande Prairie, including key urban trade routes through Edmonton and Calgary.
- Continue construction of the Edmonton ring road, and commence construction of the Calgary ring road.
- Support municipally owned infrastructure through grant programs for construction and rehabilitation of the municipal transportation network and water/wastewater facilities.
- Complete construction of the Alberta SuperNet in 2004 to provide access for 395 rural and 27 urban communities in the province. When completed, Alberta SuperNet will provide a high-speed broadband infrastructure for universities, schools, libraries, hospitals and provincial government buildings in the province.
- Work to undertake planning to redevelop the Provincial Museum of Alberta, develop appropriate storage solutions for the province's heritage collections, implement major renovations to the Jubilee Auditoria, improve access to the province's modern heritage facilities for persons with disabilities, and continue to review and update recapitalization requirements for provincially-owned and operated historic sites, museums and cultural facilities.
- Develop and advance a reinvestment strategy for Alberta's provincial parks and major recreation areas to recapitalize and sustain basic facilities and ensure public health and safety, including a safe and secure drinking water supply.
- Ensure provincially-owned and supported housing is efficiently and effectively managed and appropriately utilized.
- Provide safe and effective facilities for the delivery of government programs and seek innovative methods of project financing and delivery for major projects.

GOAL TWELVE

Alberta will have effective and sustainable government-owned and supported infrastructure

Measures

	Last Actual		Target	Target	Target
	Results	**Year**	**2004-05**	**2005-06**	**2006-07**
Physical Condition of Health Facilities Percentage in acceptable ("fair" or "good") condition.	93%	2002-03	94%	94%	94%
Physical Condition of Learning Facilities					
Percentage of schools in acceptable ("fair" or "good") condition.	94%	2002-03	95%	95%	95%
Percentage of post-secondary institutions in acceptable ("fair" or "good") condition.	92%	2002-03	91%	91%	91%
Physical Condition of Government Owned and Operated Buildings Percentage in acceptable ("fair" or "good") condition.	97%	2002-03	97%	97%	97%
Physical Condition of Provincial Highways* Percentage in acceptable ("fair" or "good") condition.	88.8%	2002-03	86%	85%	83.5%
Utilization of Provincial Highways Percentage of Provincial highways that accommodate current traffic volumes to the required Level of Service**.	99.8%	2002-03	99%	99%	99%
Construction Progress on the North-South Trade Corridor Percentage of four-laning open to travel.	78.3%	2002-03	84%	88%	90%
Ring Roads in Edmonton and Calgary Percentage of ring roads open to travel.	18.2%	2002-03	22%	25%	26%
SuperNet Completion					
Available to: Rural communities	6	2002-03	395	SuperNet completed 2004-05	
Urban communities	0	2002-03	27		
Physical Condition of Water Management Infrastructure*** Percentage in acceptable ("fair" or "good") condition.	96%	2002-03	96%	96%	96%

* Physical condition of pavement.

** "Level of Service" - Traffic flow is not severely restricted in peak hour traffic.

*** Includes headworks, dams and irrigation canals.

Note: "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means components are aging and nearing the end of their life cycle requiring additional expenditure for renewal or refurbishing.

MINISTRY BUSINESS PLANS

BUDGET
2004
ON ROUTE
ON COURSE

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Aboriginal Affairs and Northern Development

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Pearl Calahasen

Pearl Calahasen, *Minister of Aboriginal Affairs and Northern Development*
March 2, 2004

THE MINISTRY

The Ministry of Aboriginal Affairs and Northern Development enhances provincial relations with Aboriginal people, leads implementation of the Government of Alberta's Aboriginal Policy Framework, and assists in development of cross-ministry policies and strategies respecting Aboriginal and Northern issues in Alberta. The Ministry works with Aboriginal and Northern people and organizations to identify Aboriginal and Northern issues, and with government and non-government partners to implement specific initiatives to address these issues.

NORTHERN ALBERTA DEVELOPMENT COUNCIL

The Northern Alberta Development Council is a council of Northerners, reporting through Chair Gary Friedel, MLA, Peace River, to the Minister. The Ministry and Council work with other Alberta ministries and other partners to ensure that the interests of Northern Albertans are given prominence.

METIS SETTLEMENTS APPEAL TRIBUNAL

The Tribunal is a quasi-judicial body, established by the *Metis Settlements Act*, to resolve disputes pertaining to land, membership and surface rights. Members are appointed by the Metis Settlements General Council and the Government of Alberta.

LINK TO THE GOVERNMENT BUSINESS PLAN

The Ministry supports, as part of the Government of Alberta vision, that in 2025 Alberta will be a place where Aboriginal Albertans have achieved a socio-economic status equivalent to that of other Albertans. The Ministry also supports achievement of the following Government of Alberta Business Plan Goals:

- Goal 1 - Albertans will be healthy (supported by Ministry Goal 2).
- Goal 2 - Albertans will be well-prepared for lifelong learning and work (supported by Ministry Goals 1, 2 and 3).
- Goal 3 - Alberta's children and youth will be supported in reaching their potential (supported by Ministry Goal 2).
- Goal 5 - Aboriginal communities and people in Alberta will have improved social and economic circumstances (supported by Ministry Goals 1 and 2).
- Goal 7 - Alberta will have a prosperous economy (supported by Ministry Goals 1, 2 and 3).

VISION

An Alberta that includes the full participation of self-reliant Aboriginal and Northern Albertans in the province's opportunities and prosperity.

MISSION

With Alberta ministries, Aboriginal and other partners, support a social and economic environment that promotes the well-being and self-reliance of Aboriginal and Northern Alberta people and communities.

CORE BUSINESSES

Core Business 1: To encourage initiatives to increase Aboriginal participation in the social and economic life of Alberta and to facilitate the resolution of significant Aboriginal issues.

Goal 1 - Proactively collaborate with Aboriginal governments/organizations, other ministries, jurisdictions and stakeholders to identify and resolve issues.

Goal 2 - Assist in development of strategies and initiatives to promote the well-being and self-reliance of Aboriginal people in Alberta.

Core Business 2: To facilitate the development of Northern Alberta.

Goal 3 - To advance the development of Northern Alberta.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

1. **Aboriginal well-being and self-reliance.** The Aboriginal population is growing faster and is younger than the non-Aboriginal population. The highest population growth is in urban areas. There continue to be disparities between the social and economic circumstances of Aboriginal people and other Albertans. The long-term challenge is for Aboriginal Albertans to achieve social and economic circumstances equivalent to those of other Albertans.
2. **Building Aboriginal Relationships.** First Nation and Metis governments and organizations have been advancing their interests across a broader range of policy areas. This has brought them into greater contact with provincial ministries, municipal governments and the private sector. New mechanisms need to be developed and existing processes supported to manage these increasingly diverse and complex relationships.

3. **Aboriginal participation in the economy.** Aboriginal people and communities want greater participation in the Alberta economy and a share of the benefits of development. Aboriginal communities may lack capacity to engage with business and government partners and to take advantage of available opportunities.
4. **Access to and use of land and resources.** Recent judicial decisions have influenced the interpretation of Aboriginal and treaty rights. These decisions increase the likelihood that the impact on activities such as harvesting may have to be taken into account during the process of approving and authorizing developments on Crown land. The challenge is to more effectively balance Aboriginal interests with those of developers and other Albertans.
5. **Federal, Provincial and First Nation roles and responsibilities.** Jurisdictional gaps, uncertainty and unclear roles and responsibilities continue to create problems in efficient delivery of services, especially where different programs are delivered on- and off-reserve. Specific challenges are impacting economic development on First Nation reserves. These issues are further complicated by federal and First Nation initiatives for provincial participation in First Nation self-government negotiations.
6. **Advancing Northern Development.** Significant economic opportunities exist across Northern Alberta. The challenge is to more effectively plan, address and coordinate sustainable development, including economic diversification, transportation, skill development and community capacity issues.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Aboriginal Policy Framework **Linkage: Goal 2**	• Implement commitments in the Aboriginal Policy Framework by working with Alberta ministries, the Aboriginal community and other stakeholders, through the Ministry and cross-ministry activities, including the priority policy Aboriginal Policy Initiative.
2. Capacity Building **Linkage: Goals 1 and 2**	• Develop strategies to enhance capacity in Aboriginal governments and communities, including urban Aboriginal communities, to effectively manage relations with government and other interests and to improve participation in the Alberta economy.
3. Consultation Processes **Linkage: Goal 1**	• Balance competing land and resource use interests by leading the development and implementation of provincial consultation processes.
4. Northern Development **Linkage: Goal 3**	• Address challenges to northern development by working collaboratively with Alberta ministries, industry, local governments and other Northern jurisdictions and other stakeholders.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: To encourage initiatives to increase Aboriginal participation in the social and economic life of Alberta and to facilitate the resolution of significant Aboriginal issues.

GOAL ONE

Proactively collaborate with Aboriginal governments/organizations, other ministries, jurisdictions and stakeholders to identify and resolve issues.

What it means

Aboriginal Affairs and Northern Development enhances provincial relations with Aboriginal people, including government-to-government relations with First Nations and Metis Settlements. The Ministry works with other Alberta ministries to ensure that Aboriginal issues are considered in the development and implementation of government initiatives. The Ministry works with Aboriginal communities, Alberta ministries and other stakeholders to identify and resolve issues. Aboriginal Affairs and Northern Development represents Alberta in land claims negotiations and co-ordinates provincial participation in the implementation of settlement agreements.

Strategies

- On invitation, participate in self-government discussions with Canada and First Nations.
- Lead implementation of provincial consultation strategies and activities with First Nations, including incorporation of traditional use data into provincial land use planning and administration.
- Undertake strategic initiatives to assist with the effective administration of Metis Settlements legislation.
- Encourage timely settlement of outstanding treaty land entitlement claims for which the Province has an obligation under the Natural Resources Transfer Agreement and co-ordinate provincial implementation of settlement agreements.
- Work with Alberta ministries, federal and municipal governments and urban Aboriginal communities in Edmonton and Calgary to address urban Aboriginal issues.
- Ensure First Nation and Metis interests are taken into account in developing policies and programs, including initiatives to improve Alberta-First Nation and Alberta-Metis relations.
- Lead development of an Aboriginal Policy Checklist to assist Alberta ministries in reviewing existing and future policies to ensure that they address existing needs, legal requirements and Aboriginal agreements.
- Develop Aboriginal performance measures (participation in the economy) through ongoing implementation of the Aboriginal-specific Alberta Labour Force Survey.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Metis Settlements self-generated revenue from industrial taxation, user fees and levies.	$3.73 million	$3.88 million	$3.96 million	$4.04 million

The Ministry will also provide a narrative report on development of the Aboriginal Policy Checklist.

GOAL TWO

Assist in development of strategies and initiatives to promote the well-being and self-reliance of Aboriginal people in Alberta.

What it means

In 2000, the Government of Alberta approved the Aboriginal Policy Framework. The Ministry leads implementation of the Framework through the Cross-Ministry Aboriginal Policy Initiative and collaboration with other ministries and partners to identify and address barriers to improved social and economic circumstances of Aboriginal people. This collaboration has resulted in the development and implementation of the cross-ministry consultation strategy (see Goal 1). The Ministry supports initiatives to promote life-long learning for Aboriginal people and increase their participation in the Alberta labour force and the knowledge economy.

Strategies

- Work with Alberta ministries, through the Aboriginal Policy Initiative, to address commitments under the Aboriginal Policy Framework.
- Work with Alberta ministries and other partners to develop economic development strategies, including strategies to address regulatory barriers to economic development on First Nation reserves.
- Assist other ministries to develop policies and strategies to enhance the well-being and self-reliance of Aboriginal people by participating in other Cross-Ministry Initiatives, including Health Sustainability, Children and Youth, and Economic Development Strategy, as well as the Water for Life Strategy, regional and northern initiatives.
- Work with Learning and other stakeholders to address phase 1, government-approved recommendations from Alberta's Commission on Learning.
- Partner with Aboriginal organizations and others to develop community-level capacity building strategies.
- Engage Aboriginal and industry advisory committees in setting future directions for the Ministry.
- Enhance Alberta's participation in discussions with Federal/Provincial/Territorial governments, National Aboriginal Organizations and provincial stakeholders to improve the co-ordination and strategic focus of policies, programs and services.

Performance Measures	**Last Actual (2002-03)**	**Target* 2004-05**	**Target* 2005-06**	**Target* 2006-07**
% of targets identified in Aboriginal Policy Initiative achieved	95%	90%	90%	90%
% of Alberta Ministries addressing Aboriginal issues	83%	80%	80%	80%

* These are stretch targets. The Aboriginal Policy Initiative targets may be affected by the number of Aboriginal initiatives and whether the targets will take more than a year to accomplish. The target for Alberta ministries may be affected by changes to the structure of government (number of ministries) as not all ministries have plans and strategies that are specific to Aboriginal people.

The Ministry will also provide a narrative report on strategies to address regulatory barriers to economic development on First Nation reserves.

Core Business Two: To facilitate the development of Northern Alberta.

GOAL THREE

To advance the development of Northern Alberta.

What it means

The Ministry partners with Northern communities, organizations, business, industry and other jurisdictions to coordinate, plan for and address the sustainable development of Northern Alberta. Initiatives include economic diversification, transportation, infrastructure, tourism development, and improving skills among Northern Albertans.

Strategies

- Engage Northern communities, business, industry and other stakeholders, to identify, coordinate and address strategic Northern socio-economic priorities, opportunities and challenges.
- Partner with other jurisdictions, other ministries, Northern communities, business and industry, to promote Northern opportunities and address challenges.
- Promote awareness of the importance of northern development to the well-being of Alberta.
- In partnership with Northern communities, business, industry, learning providers and students, support initiatives to increase Northern skill levels.
- Advance tourism development in Northern Alberta through partnerships with other jurisdictions and Aboriginal and non-Aboriginal tourism organizations, industry stakeholders and communities.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Partner satisfaction with Northern Alberta Development Council's contribution in advancing northern interests.	84%	80%	80%	80%
Northern Alberta Development Council Bursary recipients' return service rate.	78%	75%	75%	75%

GOAL FOUR

To achieve organizational excellence.

What it means The Ministry strives to attain its vision through leadership, human resource development and continuous improvement in administrative and operational practices.

Strategies

- Continue implementation of a comprehensive human resource development program consistent with the Ministry's Human Resource Plan and the Corporate Human Resource Development Strategy.
- Provide the skills, processes, technology and tools to enhance the collection, management and sharing of information and knowledge within the Ministry, and to support strategic information-sharing with the Ministry's partners.
- Support government-wide operational practices and organizational initiatives, including key elements of the Service Excellence Framework.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
% of employees who know and understand how their work contributes to the achievement of the Department Business Plan	77%	77%	78%	79%

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Aboriginal Relations	61,798	29,629	33,379	33,555	33,655	33,655
Northern Development	1,953	1,974	1,929	2,104	2,104	2,104
MINISTRY EXPENSE	63,751	31,603	35,308	35,659	35,759	35,759

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Other Revenue	493	45	23	-	-	-
MINISTRY REVENUE	493	45	23	-	-	-
EXPENSE						
Program						
Aboriginal Affairs	11,935	12,625	14,625	17,842	18,727	18,727
Metis Settlements Appeal Tribunal	930	930	930	942	942	942
Northern Alberta Development Council	1,953	1,974	1,929	2,004	2,004	2,004
Metis Settlements Governance	6,743	6,074	6,074	4,871	4,086	4,086
Metis Settlements Legislation	10,000	10,000	10,000	10,000	10,000	10,000
Land and Legal Settlements	32,150	-	1,750	-	-	-
Valuation Adjustments and Other Provisions	40	-	-	-	-	-
MINISTRY EXPENSE	63,751	31,603	35,308	35,659	35,759	35,759
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(63,258)	(31,558)	(35,285)	(35,659)	(35,759)	(35,759)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	493	45	23	-	-	-
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Revenue	493	45	23	-	-	-
Ministry Program Expense	63,751	31,603	35,308	35,659	35,759	35,759
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**63,751**	**31,603**	**35,308**	**35,659**	**35,759**	**35,759**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(63,258)	(31,558)	(35,285)	(35,659)	(35,759)	(35,759)

Agriculture, Food and Rural Development

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Shirley McClellan

Shirley McClellan, *Minister of Agriculture, Food and Rural Development*
March 4, 2004

THE MINISTRY

The Ministry is comprised of the Department of Agriculture, Food and Rural Development (AFRD); Agriculture Financial Services Corporation (AFSC); Farmers' Advocate; Irrigation Council; Agricultural Products Marketing Council; and Alberta Grain Commission.

LINK TO THE GOVERNMENT BUSINESS PLAN

The Ministry contributes to the government's three core businesses: People, Prosperity and Preservation and the following seven government goals: 6, 7, 8, 9, 10, 11 and 12. Our primary focus is on the second core business – working with others to promote prosperity for Alberta through a strong, competitive, sustainable agriculture and food industry.

VISION

Prosperous, sustainable Alberta farms, processors, agricultural businesses and rural communities.

MISSION

"To enable the growth of a globally competitive, sustainable agriculture and food industry through essential policy, legislation, information and services."

CORE BUSINESSES

Core Business 1: Facilitate Sustainable Industry Growth
- Goal 1 - Sustainable growth of the agriculture and food industry
- Goal 2 - Continued excellence in food safety

Core Business 2: Enhance Rural Sustainability
- Goal 3 - Improved environmental stewardship
- Goal 4 - Strengthened rural communities

Core Business 3: Strengthen Business Risk Management
- Goal 5 - Effective business risk management programming

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The agriculture industry has suffered successive years of low moisture culminating, in 2002, in the worst drought in recorded history. Additionally, the global reaction to a single confirmed instance of Bovine Spongiform Encephalopathy (BSE) in Alberta and another instance of BSE linked to Alberta has created significant challenges for our industry. The Ministry will continue to partner with industry and other governments as we support the industry to recover from the longer-term impacts of these events. It is expected that these events will result in revisions to Ministry programming in 2004 and in future years.

Federal, provincial and territorial ministers of agriculture have negotiated the implementation of an "Agricultural Policy Framework". This five-year agreement will continue to impact the strategic direction in this and future plans. The objectives of the five chapters of the Agricultural Policy Framework are linked to the goals in this plan.

Strategies for rural development, growth and research and development are at various stages of development and implementation. These initiatives will continue to impact the future direction of the department and its programming in 2004 and beyond.

Current conditions in the agriculture and food industry clearly demonstrate the susceptibility to inherent risks such as poor weather, declines in global commodity prices, and changes in the overall economy. While the Ministry's strategic direction is outlined, it is acknowledged that from year to year, changes must be made to accommodate specific developments.

The Agriculture Growth Strategy has been developed to support growth throughout Alberta. To ensure rural Albertans will benefit from the Agriculture Growth Strategy, consideration will need to be given to targeting specific initiatives for implementation not only along the Calgary-Edmonton corridor, but in other areas of the province.

The creation of the Institute of Food and Agricultural Sciences, Alberta (IFASA) will help to reinforce Alberta's commitment to research and development. The IFASA is the result of a Memorandum of Understanding (MOU) among the Alberta Research Council, the University of Alberta and AFRD. The IFASA may enable internationally recognized, multidisciplinary research programs, which have critical mass, to be built. The MOU is also expected to help strengthen Alberta's applied research and technology commercialization capacity.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. The Agriculture Growth Strategy

Linkage:
Goals 1 and 4

The industry opportunity to sustainably grow primary agricultural production to $10 billion and value-added industry to $20 billion by 2010 will be achieved through the implementation of the growth strategy by industry. The Ministry will need to work in partnership with industry to clearly articulate outcomes in both qualitative and quantitative terms to facilitate achievement. This target will require ongoing monitoring and will impact Ministry programming in 2004 and beyond.

2. The Rural Development Strategy

Linkage: Goal 4

The Rural Development Strategy is under development. Future direction from government and ongoing consultation with stakeholders will determine how the Ministry will continue to work in partnership with other ministries and rural communities to implement the strategy.

3. The Agricultural Policy Framework

Linkage: All Goals

Federal, provincial and territorial ministers of agriculture have agreed to a new Agricultural Policy Framework that will help the agriculture industry position itself for the future. The framework is a comprehensive, integrated five-year strategy that encompasses five key elements: business risk management; food safety; environment; renewal and science and innovation. It impacts each of the core businesses of the Ministry and the supporting five goals. Development of federal-provincial bilateral agreements continues. The framework and related initiatives will be considered in establishing the strategic direction of future plans.

4. The Research and Innovation Strategy

Linkage:
Goals 1, 2, 3 and 4

Longer term achievement of the Ministry's vision and mission will be dependent on industry's ability to support strategically targeted research in the agriculture and food industry. The Ministry will focus efforts on the implementation of the research strategy in partnership with industry and Alberta Innovation and Science.

5. Water for Life: Alberta's Strategy for Sustainability

Linkage:
Goals 1, 3 , 4 and 5

Water for Life: Alberta's Strategy for Sustainability is a comprehensive, 10-year strategy for water and watershed management in the province. Implementing the Water for Life strategy is a key strategic priority of the 2004-07 business plan. Agriculture, Food and Rural Development, along with a number of other ministries, is working collaboratively to ensure the outcomes of the strategy - safe, secure drinking water; healthy aquatic ecosystems; and reliable, quality water supplies for a sustainable economy - are achieved.

6. Corporate Initiatives

Linkage: All Goals

The strategic direction of AFRD is supported by a number of service functions. These areas (including Finance, Human Resources, Information Technology, Knowledge Management, Project Management, Communications, Agriculture Information, and Business Planning) cross the five goals, and are integral to the efficient and effective delivery of Ministry programming. Key client delivery initiatives, such as the Alberta Ag-Info Call Center and Ropin' the Web, help to ensure our clients have access to professionally prepared and presented information.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Facilitate Sustainable Industry Growth

GOAL ONE

Sustainable growth of the agriculture and food industry

What it means

This goal recognizes that industry growth is the outcome of long-term profitability arising from a competitive agriculture and food industry focused on market opportunities. The Ministry contributes to this goal by encouraging new and diversified product development and investment (primary and value-added food and non-food products) and facilitating long-term sustainable growth in established sectors.

It is the role of the Ministry to work to enhance market access (e.g., animal and plant disease) for agriculture and food industry products and to improve agriculture and food industry business services. These services include access to capital, risk management tools, business and entrepreneurial processes and enhanced infrastructure.

To achieve this goal, the Ministry will incorporate the objectives of the Agriculture Growth Strategy, Securing Tomorrow's Prosperity (the value-added strategy), the Research and Innovation Strategic Framework and the Rural Development Strategy (Economic Development Strategy) into the appropriate division operating plans.

Strategies

- Encourage market access, market responsiveness, diversity and industry competitiveness through the provision of information, technology and targeted research.
- Enhance efficiencies in production and processing through the delivery of business and technical information and services.
- Facilitate capital investment in the agriculture and food industry through opportunity identification, evaluation, lending products and providing risk management* tools and training.
- Enhance the development of new products and processes to assist industry in capturing additional value added market opportunities.
- Develop and administer essential policy, legislation and regulation.
- Advocate policies and programs that facilitate market access, human resource development and industry competitiveness.
- Work with partners to ensure that appropriate infrastructure is in place.

* For business risk management detail, reference Core Business 3.

Performance Measures	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Number of value added products developed through the Processing Development Division and successfully introduced to market.	110	110	120	120
Examples of research funded by the Ministry that have contributed to competitiveness and growth.	n/a	Examples to be provided	Examples to be provided	Examples to be provided

Performance Measures (continued)	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Industry competitiveness enhanced through new, or changes to existing, public and private sector policies and programs.	n/a	Examples to be provided	Examples to be provided	Examples to be provided
Agri-business investment supported by AFSC lending services.	$61.7 million	$57.9 million	$60.8 million	$63.8 million
Amount of Beginning Farmer Loans.	$88.8 million	$140 million	$145 million	$145 million

GOAL TWO

Continued excellence in food safety

What it means

This goal recognizes that a reputation for excellence in food safety is essential to maintain consumer confidence and expand markets, both domestic and international.

The Ministry contributes to this goal by promoting implementation of food safety process control systems throughout the food production continuum, through development and administration of essential food safety legislation, regulations and policy and through food safety surveillance systems that ensure consumer confidence and market access. These initiatives support the development of a national approach to food safety as identified in the Agricultural Policy Framework food safety and food quality chapter.

Strategies

- Facilitate adoption of internationally accepted food safety systems and standards in production and processing of Alberta food.
- Develop, implement and maintain a food safety surveillance system that validates the safety of Alberta's agriculture and food products.
- Develop and administer essential policy, legislation and regulation.
- Develop and transfer knowledge and technology in support of safe food production and processing.
- Provide information, training and other programs that enhance food safety awareness and emergency response.
- Participate, as appropriate, in national traceability initiatives.

Performance Measures	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Number of active surveillance sampling programs that identify the incidence of food contaminants or residues.	8	8	10	10
Percent of Alberta production from Alberta chicken farms, hog farms, and beef feedlots produced under nationally recognized on-farm food safety programs*.				
• chicken farms	0%	90%	90%	90%
• hog farms	0%	90%	90%	90%
• beef feedlots	0%	0%	50%	60%

Performance Measures (continued)	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percent of Alberta-licensed food processing plants that have implemented appropriate food safety process control systems				
• meat (Hazard Analysis Critical Control Point (HACCP-based))	0%	6%	20%	20%
• dairy (HACCP prerequisites)	0%	70%	70%	70%

* The details of the national system for recognizing the completed implementation of on-farm food safety programs are being finalized. Provincial commodity groups have begun program implementation, however, completed implementation will not be recognized until the national recognition system is implemented. The dramatic increase from actual to target reflects the anticipated percentage of production under on-farm food safety programs in place when the recognition system is implemented. Variances in commodity targets reflect the different stages of implementation of on-farm food safety programs in each of these industries.

Core Business Two: Enhance Rural Sustainability

GOAL THREE

Improved environmental stewardship

What it means

This goal recognizes it is the role of the Ministry to assist the agriculture and food industry to maintain or improve Alberta's air, water and soil for the well-being of current and future generations. The Ministry contributes to this goal through essential policy, legislation, information and services related to soil conservation, water quality, air quality, climate change and biodiversity.

To achieve this goal the Ministry will incorporate the objectives of the Environment Chapter of the Agricultural Policy Framework, Water for Life: Alberta's Strategy for Sustainability, the Agriculture Growth Strategy, the Rural Development Strategy and the agricultural components of the provincial Climate Change Strategy into appropriate divisional operational plans.

Strategies

- Support and conduct applied/adaptive research and evaluations to find economically sound, environmentally friendly technologies and management practices for crop and livestock production and agricultural processing.
- Transfer integrated technology and knowledge to assist the industry in becoming more environmentally sustainable, including provision of support for adoption of environmental farm plans.
- In consultation with the industry and other involved ministries, provide guidelines, standards, regulations and legislation for environmental performance requirements to sustain the quality of Alberta's soil, water and air.
- Monitor the effect of the agricultural production and processing industry on soil and water quality.

Performance Measures	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of respondents who have adopted improved practices as a result of ministry-supported stewardship training (formal evaluation every three years).	63%	68%	68%	68%
Number of producers provided with training and technical support to enable development of environmental farm plans.	n/a	1,500	2,000	2,500

Performance Measures (continued)	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Representative examples of results from Ministry, and Ministry-funded research that are environmentally related will be reported in the Ministry's Annual Report.	n/a	Examples to be provided	Examples to be provided	Examples to be provided

GOAL FOUR

Strengthened rural communities

What it means

This goal recognizes that vibrant and sustainable rural communities are one component of a prosperous province. The Ministry contributes to this goal by working to strengthen rural communities through involvement in facilitation, leadership development and infrastructure development.

The Ministry has a lead role in coordinating rural development initiatives, under the Economic Development Strategy. Implementing the Rural Development Strategy will facilitate cooperative efforts to ensure a balanced emphasis on social, economic and environmental priorities by all stakeholders in support of community prosperity.

Strategies*

- Provide leadership development for youth and people actively engaged in agriculture and community organizations.
- Facilitate the development of sustainable communities, organizations and agricultural and rural businesses that are networked, flexible, adaptable and manage change pro-actively and positively.
- Co-ordinate a multi-ministry approach to rural development.

* Many of the strategies of this Ministry included under other goals also contribute to "Strengthened Rural Communities".

Performance Measures	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Number of rural businesses assisted.	302	315	331	347
Investment in rural business.	$100.3 mil	$90.5 mil	$95.0 mil	$99.8 mil
Percentage of ministry supported, agricultural-related community activities that focus on community improvements and leadership development.	32%	33%	34%	35%
Percent change in total employment in rural Alberta.	-0.4%	0	1.0%	1.5%
Percentage of rural youth participating in Ministry-supported programs that report effective learning from those programs.	91.7%	92%	92.3%	92.5%

Core Business Three: Strengthen Business Risk Management

GOAL FIVE

Effective business risk management programming

What it means

This goal recognizes the need for greater stability in an industry significantly affected by unforeseen weather disasters, disease and global market influences. Increased stability coupled with targeted business management information and training allows farmers to concentrate their management efforts on adoption of the most economically sustainable management practices for their area. The Ministry contributes to this goal by providing appropriate support through programs such as the Canadian Agricultural Income Stabilization Program, crop insurance*, drought preparedness and disaster recovery initiatives.

* Crop insurance programs are designed to be actuarially sound over a 20-year time frame. Crop insurance program expenses are offset by projected premium contributions from the federal government and producers. These contributions are reported in the budgets for "Transfers from Government of Canada" and "Premiums, Fees and Licenses", in the Ministry Statement of Operations.

To achieve this goal the ministry will incorporate the objectives of the business risk management chapter of the Agricultural Policy Framework into appropriate division operating plans.

Strategies

- Stabilize farm income by providing Alberta farmers with effective and efficient business risk management programs.
- Ensure business risk management programs are delivered effectively and have the flexibility to meet producer needs.
- Through the Agricultural Policy Framework process, implement enhancements to business risk management programs to better respond to changing global market influences.
- Respond to issues resulting from recurring drought by continuing to administer the Agriculture Drought Risk Management Plan.
- Facilitate the development of business interruption insurance for agriculture.

Performance Measures	Last Actual	Target 2004-05**	Target 2005-06	Target 2006-07
Percentage of primary producers surveyed that participated in business risk management programs.	n/a	Benchmark	3.5% increase over benchmark	80%
Percentage of customers satisfied with business risk management program delivery.	n/a	Benchmark	3.5% increase over benchmark	80%

Survey to be developed. Farm population will include those operations with $50,000 annual sales and greater.

** 2004-05 is the first year that Agricultural Policy Framework business risk management programs are delivered. It will represent the benchmark year.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Facilitate Sustainable Industry Growth	186,619	202,196	205,073	212,095	213,850	219,764
Enhance Rural Sustainability	45,305	43,034	43,433	42,015	42,010	42,072
Strengthen Business Risk Management	1,447,991	624,630	1,427,195	707,212	818,161	815,045
Restricted Expense	149,925	-	-	-	-	-
MINISTRY EXPENSE	1,829,840	869,860	1,675,701	961,322	1,074,021	1,076,881

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	16,620	16,620	16,620	16,620	16,620	16,620
Transfers from Government of Canada	415,916	169,112	622,969	286,298	305,890	298,867
Investment Income	101,484	90,503	85,275	84,520	89,271	93,823
Premiums, Fees and Licences	109,244	165,887	147,667	154,539	195,464	195,487
Other Revenue	267,258	6,813	15,708	7,312	7,352	7,391
MINISTRY REVENUE	910,522	448,935	888,239	549,289	614,597	612,188
EXPENSE						
Program						
Farm Income Support	564,951	132,333	1,046,239	253,817	253,868	249,091
Lending	28,661	33,128	30,182	33,540	34,926	36,227
Insurance*	876,950	487,542	373,277	447,130	558,034	559,655
Planning and Competitiveness	38,779	39,036	44,819	39,230	39,230	39,415
Industry Development	42,549	41,348	53,189	49,404	44,014	44,064
Sustainable Agriculture	32,882	31,553	36,199	38,894	38,944	38,978
Infrastructure Assistance	26,988	25,800	18,500	24,000	24,000	24,000
Restricted Expense	149,925	-	-	-	-	-
Ministry Support Services	17,773	17,642	20,289	18,536	18,423	18,343
Valuation Adjustments and Other Provisions	3,185	5,626	4,975	4,144	3,968	3,626
Program Expense	1,782,643	814,008	1,627,669	908,695	1,015,407	1,013,399
Debt Servicing Costs						
Agriculture Financial Services Corporation	47,197	55,852	48,032	52,627	58,614	63,482
Ministry Debt Servicing Costs	47,197	55,852	48,032	52,627	58,614	63,482
MINISTRY EXPENSE	1,829,840	869,860	1,675,701	961,322	1,074,021	1,076,881
Gain (Loss) on Disposal and Write Down of Capital Assets	(288)	-	-	-	-	-
NET OPERATING RESULT	(919,606)	(420,925)	(787,462)	(412,033)	(459,424)	(464,693)

* Reference note incorporated in the Goal 5 "What It Means" section.

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	910,522	448,935	888,239	549,289	614,597	612,188
Inter-ministry consolidation adjustments	(16,620)	(16,620)	(16,620)	(16,620)	(16,620)	(16,620)
Consolidated Revenue	893,902	432,315	871,619	532,669	597,977	595,568
Ministry Program Expense	1,782,643	814,008	1,627,669	908,695	1,015,407	1,013,399
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**1,782,643**	**814,008**	**1,627,669**	**908,695**	**1,015,407**	**1,013,399**
Ministry Debt Servicing Costs	47,197	55,852	48,032	52,627	58,614	63,482
Consolidated Expense	1,829,840	869,860	1,675,701	961,322	1,074,021	1,076,881
Gain (Loss) on Disposal and Write Down of Capital Assets	(288)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(936,226)	(437,545)	(804,082)	(428,653)	(476,044)	(481,313)

Children's Services

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Iris L. Evans

Iris Evans, *Minister of Children's Services*
March 5, 2004

THE MINISTRY

The Ministry Business Plan for 2004-07 comprises the following entities:

- *Child and Family Services Authorities* – help determine Ministry-wide priorities and directions, deliver Ministry programs and services, and meet the local priorities and needs of children, families, and communities.
- *Youth Secretariat* – advises the Minister on key issues facing youth and ways to address those issues.
- *Children's Advocate* – represents the rights, interests and viewpoints of children and youth receiving child welfare services.
- *Social Care Facilities Review Committee* – a citizen panel with a legislated mandate to monitor provincially funded social care facilities, and investigate complaints to ensure the best possible care.

- *Delegated First Nations Agencies* – delivery of provincial child welfare programs and services to families of member First Nation bands, through formal delegation agreements established with the Ministry.
- *Department of Children's Services* – provides leadership to: (a) establish policies that promote the well-being of children, youth and families, (b) support the delivery of quality services focused on improving outcomes for children, youth and families, (c) promote greater capacity for community services that support children in reaching their potential, and (d) design business strategies that help the Ministry achieve its vision.

The Plan also recognizes the critical role of our partners in service delivery of provincial programs and services. At the local municipal level the Ministry invests in Family and Community Support Services to strengthen the capacity and self-reliance of communities to plan and deliver services to meet the needs of children, youth and families. The Ministry's entities also enter into a range of contracts and agreements with agencies to provide services at the community level. Other Alberta Government Ministries, as well as municipal/provincial/territorial/federal governments are strategic partners.

A MESSAGE FROM THE MINISTER

Our work in the Children's Services Ministry is focused on a vision of strong children, families and communities. All children deserve a loving, stable home in which to grow and thrive. First and foremost, parents have the responsibility to provide this environment for their children. When caregivers do not have the skills they need, Children's Services links them to community resources that will enhance their care giving abilities. The 2004-07 Children' s Services Business Plan reflects the advice of Albertans and our commitment to work with communities to help children grow and succeed.

The plan contains goals in each of our three core business areas:

- Promoting the development and well-being of children, youth and families;
- Keeping children, youth and families safe and protected, and
- Promoting healthy communities for children, youth and families.

In addition to the ongoing core activities of the Ministry, to achieve our goals in the next three years we have set strategic priorities in the areas of family violence prevention including elder abuse, parenting resources, resources for children with disabilities, redefining child welfare and partnerships.

Our goal is to work with partners and communities so that children will have the best start possible in order to lead happy, healthy and successful lives. Only by working together through a comprehensive preventative approach can we meet the needs of Alberta's children and families.

LINK TO THE GOVERNMENT BUSINESS PLAN

Investments in children, youth and families are the foundation to realizing Alberta's vision - a vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children. Children's Services is committed to achieving the Government of Alberta Strategic Business Plan by supporting Alberta's children and youth in reaching their potential. A primary focus is the achievement of results for goals in the government's core business of People. Significant contributions are also made to Prosperity, for example in supporting families through child care resources while they work in their communities, and Preservation priorities around safety of families. Children's Services strategic directions supporting the government's business plan are: **prevention** – a healthy start and supports for children to learn, grow and succeed; **preservation** – a safe nurturing family environment for children; **protection** – a safety net to protect vulnerable children in need; **partnerships** – a community to help families raise their children.

VISION

Strong children, families and communities

An Alberta where children and youth are valued, nurtured and loved, and develop to their potential, supported by enduring relationships, healthy families, and safe communities. Alberta will be child, youth and family friendly.

MISSION

Working together to enhance the ability of families and communities to develop nurturing and safe environments for children, youth and individuals.

CORE BUSINESSES

Core Business 1: Promoting the development and well-being of children, youth and families

Goal 1 - Children and youth will have a healthy start in life and the supports they need to reach their potential

Core Business 2: Keeping children, youth and families safe and protected

Goal 2 - Families will be safe, healthy, and able to promote children's development

Goal 3 - Children in need will be protected and supported by permanent, nurturing relationships

Core Business 3: Promoting healthy communities for children, youth and families

Goal 4 - The well-being and self-reliance of Aboriginal children, youth, families and communities will be promoted, supported and comparable to that of other Albertans

Goal 5 - Communities will have the capacity to plan and deliver services that promote the well-being of children, youth and families

Better Outcomes for Children Realized through Stronger Families and Communities

THE ALBERTA RESPONSE

Prevention **Preservation & Protection** **Partnerships**

CORE BUSINESSES:

Promoting the development and well-being of children, youth and families.

Keeping children, youth and families safe and protected.

Promoting healthy communities for children, youth and families.

PROGRAM AREAS:

Preventative supports for all children, youth and families
- Preventing Family Violence
- Parenting Resources
- Early Intervention
- Child Care
- Youth In Transition
- Preventing Fetal Alcohol Spectrum Disorder and Reducing Substance Abuse
- Family and Community Support Services
- Prevention of sexual and commercial exploitation of children

Preserving families at risk
Protecting children in need
- Resources for Children with Disabilities
- Supports for Victims of Family Violence
- Family Enhancement
- Child Protection
- Adoptions and Supports
- Protection of Children Involved in Prostitution
- Advocacy on behalf of Children and Youth

Building resources for community based service delivery
- Alberta Children and Youth Initiative
- Aboriginal Policy Initiative
- Health Sustainability Initiative
- Community Capacity Building
- Child and Family Research Support
- Alberta's Promise

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Alberta's children and youth, aged 0-19, account for 28% (840,000), of Alberta's population. Alberta provides opportunity for every child and youth to achieve their potential, but the demographic and social value changes of society brings many challenges. As a result, new approaches and responses are needed to support children and youth, to support their parents to preserve the family and to support community capacity building. Knowledge of such changes and challenges is key if programs and services are to continue meeting the needs of children, youth and families of Alberta. At times this requires the Ministry to be an advocate on behalf of children and youth to address barriers to success and in some cases act as temporary parent in times of crisis.

CHALLENGES	OPPORTUNITIES
• ***Many of Alberta's children are at risk of poor developmental outcomes. An ongoing challenge is finding ways to support and affirm parental responsibility for the optimal development of children.***	• ***Prevention: Promote a healthy start and the supports for children and youth to realize their potential.***
• ***Many Alberta families suffer the emotional trauma of family breakdown; this increases the need to plan for resiliency within families and for children at risk.***	• ***Preservation: Promote a safe, nurturing family environment for children and youth.***
• ***Children and youth in care have unique needs requiring individual supports. Children and youth often are not heard and their rights not considered. The challenge is finding ways to improve outcomes.***	• ***Protection: Provide a safety net for vulnerable children and youth in need.***
• ***Aboriginal children and youth make up 44% of the child welfare caseload in Alberta. The challenge is assisting First Nations, Metis and other Aboriginal children, youth and families to identify solutions.***	• ***Partnerships: Strengthen the role and capacity of Aboriginal Communities.***
• ***Many independent agencies and organizations are working hard at the community level but not necessarily with a cooperative and coordinated approach. The challenge is to ensure the integration of services so that communities are safe, healthy and self-reliant for children, youth and families.***	• ***Partnerships: Promote the strategic alliances needed in communities to plan, deliver and assess services that promote positive outcomes for children and families.***

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Prevention of Family Violence

Linkage:
Goals 1, 2, 3, 4 and 5

CHILDREN'S SERVICES will consult with Albertans, through a series of mini-roundtables, to work towards an Alberta free from family violence. A new provincial response to family violence will be developed with strengthened community-based, comprehensive services and supports for children and other family members who witness or are victims of family violence. This will be achieved through sustained and secure funding which will cover both prevention and protection. Prevention of family violence is everybody's business.

2. Parenting Resources

Linkage:
Goals 1, 2, 4 and 5

CHILDREN'S SERVICES will develop cross-ministry, community-based, parent resource centres to assist parents in giving children a healthy start and to support children in realizing their potential. Centres will focus on parent information and skills, early childhood development and readiness-to-learn resources, assessing child care options, and facilitating cross-ministry supports for children, youth, and families.

3. Resources for Children with Disabilities

Linkage:
Goals 1, 2, 4 and 5

CHILDREN'S SERVICES will implement the new *Family Support for Children with Disabilities Act* to provide appropriate resources to help families meet the needs of and promote the abilities of children and youth with disabilities, helping them to achieve their potential.

4. Redefining Child Welfare

Linkage:
Goals 1, 2, 3, 4 and 5

CHILDREN'S SERVICES will implement the new *Child, Youth and Family Enhancement Act* which will, together with the Alberta Response Model, provide community resources to help families: overcome at risk circumstances, care for their own children, improve the safety and well-being of children and youth in need, assure quality services, shorten the time children and youth spend in government care, and reunite children with their families or placement in other permanent, nurturing homes. This includes supports to help youth make a successful transition from child welfare to independence.

CHILDREN'S SERVICES will work with partners to develop an Office of the Children's Lawyer to provide children with access to lawyers, to ensure that they are represented by legal counsel in contentious access and custody challenges, and when children are harmed in care.

5. Partnerships

Linkage:
Goals 1, 2, 3, 4 and 5

CHILDREN'S SERVICES will develop strategic partnerships to promote strong children, youth, families and communities, and champion the best interests of children, youth and families through Cross-Ministry Initiatives, in particular:

- Alberta Children and Youth Initiative to support the healthy development of children and youth.
- Aboriginal Policy Initiative to improve the well being and self reliance of Aboriginal people, and to clarify federal, provincial and Aboriginal roles and responsibilities.
- Health Sustainability Initiative enhances the sustainability of the health system now and in the future by strengthening policy integration and collaboration across ministries.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Promoting the development and well-being of children, youth and families

GOAL ONE

Children and youth will have a healthy start in life and the supports they need to reach their potential

What it means

The Ministry supports parents in giving children a healthy start in life and providing them with the foundations to learn, grow and succeed. While parents have the primary responsibility for raising their children, governments, communities, organizations, schools, and businesses all have supporting roles to play in meeting the needs of children and youth. In doing so, the Ministry together with partners recognizes the importance that must be placed on the first six years of a child's experience because this sets the tone for life long development, and how children will learn and cope as adults.

Outcomes

Children and youth are physically, emotionally, socially, intellectually and spiritually healthy.
Children and youth meet individual developmental milestones.

Strategies

- Develop a new Provincial Response to Family Violence with strengthened community-based services and resources for children and other family members and work towards an Alberta free from family violence.
- Develop cross-ministry, community-based parent resources that assist parents with information and skills to give children the best possible start in life, and the supports to learn, grow and succeed.
- Strengthen and integrate early child development services, early screening, childcare resources, and cross-ministry and community-based services for children, youth and families with parent resource centres.
- Continue cross-ministry implementation of the Policy Framework for Children and Youth with Special and Complex Needs, including the integrated case management model for children and youth with complex needs.
- Implement child care standards and investigate options that strengthen the ability of families in all communities to care for their children, support children in meeting developmental milestones, and balance home and work.
- Continue to work with partners in the implementation of the Youth in Transition Framework to better address the needs of youth and help them make a successful transition to adulthood including further learning, employment, and adult supports where needed.
- Ensure youth in care and those who recently left care, are provided access to the Ministry Bursary Program to support vocational and educational pursuits.
- Work with other ministries and partners to improve the services aimed at preventing Fetal Alcohol Spectrum Disorder, by reducing substance abuse through increased awareness targeted at high-risk mothers, and to address the needs of children, youth and families affected.
- Work with municipalities to strengthen community-based services for children, youth and families through the Family and Community Support Services program.

Performance Measures	Last Actual (2002)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of expenditures in the children/youth project and service category of Family and Community Support Services.	29%	29%	29%	29%

What it means: Alberta's children and youth, aged 0-19, account for 28% (840,000), of Alberta's population. The Ministry and local governments jointly fund preventive social services for Albertans through Family and Community Support Services. This measure provides an indicator of the commitment to promote the well-being of children, youth and families through Family and Community Support Services.

Source: Family and Community Support Services Annual Overview

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of childcare centers that provide a developmentally appropriate environment for children.	Baseline established 2003-04	5% over 2003-04 results	10% over 2003-04 results	25% over 2003-04 results

What it means: It is important to provide an environment where children receive the supports they need in order to meet developmental milestones. This measure assesses the extent to which childcare centres are providing an environment conducive to the development of a child. An assessment is conducted in a sample of licensed day care centres using an internationally recognized assessment tool.

Source: Child Care Information System

Core Business Two: Keeping children, youth and families safe and protected

GOAL TWO

Families will be safe, healthy, and able to promote children's development

What it means Healthy families are the best and most secure means for raising children. Therefore, the Ministry works with all its partners to promote community-based resources that help preserve and support families in overcoming at-risk circumstances to ensure that children reside in permanent, nurturing homes.

Outcomes

Children, youth and families overcome at-risk circumstances.
Children, youth and families are safe, healthy, resilient and self-reliant.

Strategies

- Develop a coordinated Provincial Response to Family Violence with strengthened community-based services, resources and supports for children and other family members who witness or are victims of family violence, and improve the services in women's shelters.
- Implement the new *Family Support for Children with Disabilities Act* and policies to re-focus Resources for Children with Disabilities on early intervention and family supports, and better co-ordinate services among partners so that families obtain consistent, long-term supports for their children and youth.
- Work with other ministries and community partners to develop a seamless continuum of supports to help preserve families and their ability to nurture their children's well-being and development.
- Continue implementing, assessing and adjusting the Alberta Response Model to improve community-based early intervention strategies to assist families overcome at-risk circumstances and care for their own children.

Performance Measures

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of children and youth reported to be at-risk who received family enhancement services and afterwards did not require child protection services.	Baseline established 2003-04	85%	85%	85%

What it means: This measure is about the effectiveness of the Alberta Response Model - a child welfare delivery approach that engages families with community-based services to resolve issues before they escalate to a level that requires child protection services.

Source: Child Welfare Information System

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of adults staying at government-funded women's emergency shelters who report that they are better able to keep themselves and the children under their care safer from abuse.	95%	95%	95%	95%

What it means: Women's emergency shelter services are crucial elements in the prevention of family violence. This measure is about effectiveness of government-funded women's emergency shelter services to support women having taken short-term (21-day) refuge from family violence in their efforts to reduce future risks of abuse.

Source: Women's Emergency Shelter Outcomes Exit Survey

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of families accessing Ministry programs that indicate positive impacts for their children.	79% to 94%	85%	n/a*	85%

Note: * Surveys done every two years.

What it means: One key outcome indicator for how programs and services are performing involves feedback from the users of those programs and services that contribute to the healthy development of children and youth. This measure involves client surveys of key Ministry programs where clients can provide feedback on their satisfaction with services received and their perception of the program's impact on their family.

Source: Multiple client surveys, conducted bi-annually

GOAL THREE

Children in need will be protected and supported by permanent, nurturing relationships

What it means Every child deserves a home where they are safe and nurtured. The Ministry intervenes to protect children from abuse and neglect, and ensure that children are reunited with their families as soon as possible whenever appropriate, or are placed in other nurturing, permanent homes.

Outcomes Children and youth in need are protected from further abuse and neglect.
Children and youth in care are placed in secure, and stable environments that allow for the development of life-long relationships and connection to family and community.

Strategies

- Implement the new *Child, Youth and Family Enhancement Act* which will improve the safety and well-being of children, involve families and children in decision making, assure quality services to promote children's development, shorten the time children spend in government care, and unite children with their families or other permanent, nurturing homes.

- Implement the recommendations of the Foster Care Review to better respond to the needs of children in care.
- Improve the Adoptions Program and Post-Adoption services to increase the number of children in need that are placed in permanent, nurturing homes through increased media recruitment and enhanced post-adoptive supports.
- Continue to develop a quality assurance system to improve the quality, consistency, and accountability of child protective services across the province and outcomes for children and families.
- Work with partners to develop the Office of the Children's Lawyer to provide children with access to lawyers in contentious access and custody challenges, and when children are harmed while in care.
- Re-focus preventive and treatment services for the protection of children and youth at risk of or involved in prostitution or other forms of sexual exploitation.
- Undertake a review of the *Social Care Facilities Licensing Act*, to promote quality of care in social care facilities.
- Ensure that intentional and formal transition planning occurs for all youth in care.
- Improve access to mentoring programs to help increase the educational attainment of children and youth in care, and ensure that service plans are in place to support the needs for a successful transition of youth to adulthood.
- Further develop the role of the Children's Advocate to ensure that children in the system are heard and their rights protected.

Performance Measures

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of children who suffer injury that results in hospitalization or death while receiving child protection services.	New	Baseline data	= or lower than baseline	= or lower than baseline

What it means: Protection from serious harm is a key priority for all child protection services. This measure provides an indication of Children's Services' performance in keeping children safe from harm.

Source: Child Welfare Information System

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of children who experience at least one incident of child maltreatment within twelve months of a previously confirmed incident of child maltreatment.	New	Baseline data	= or lower than baseline	= or lower than baseline

What it means: The ultimate goal of child protection services is to prevent future maltreatment of children who receive these services. This measure is designed to assess the performance of the Ministry in its effort to prevent further maltreatment.

Source: Child Welfare Information System

Performance Measures (continued)

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Average number of days a child with an open case spends in care of the Director of Child Welfare until a permanent placement is secured.	New	Baseline data	= or lower than baseline	= or lower than baseline

What it means: Ensuring children are supported by permanent nurturing relationships is a key objective of the Ministry. This measure addresses how many days a child spends in care before being placed in a placement with long term stability.

Source: Child Welfare Information System

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of children in care of the Director of Child Welfare who advance at least one grade level in a specified school year.	Baseline established 2003-04	= or higher than baseline	= or higher than baseline	= or higher than baseline

What it means: Maltreatment can result in cognitive and academic delays. This measure of school performance provides an indicator of how well the child welfare system has contributed to the development of children under care of the Director of Child Welfare.

Source: Child Welfare Information System

Core Business Three: Promoting healthy communities for children, youth and families

GOAL FOUR

The well-being and self-reliance of Aboriginal children, families and communities will be promoted, supported and comparable to that of other Albertans

What it means First Nations, Metis and other Aboriginal peoples have the desire, ability and commitment to improve outcomes for and the success of Alberta's children, families and communities. The Ministry works with First Nations, Metis and other Aboriginal peoples to build on the strengths of Aboriginal communities in developing the governance, accountability and service delivery capacity to promote the care of their children, youth, and families.

Outcomes Aboriginal communities have the capacity to meet the needs of children, youth and families.
There is a reduced number of Aboriginal children represented in the child welfare caseload.
Aboriginal children, youth and family receive culturally appropriate services.

Strategies

- Continue to implement the Ministry's Aboriginal Policy Initiative strategies to address gaps and improve the quality of services designed to meet the needs of Aboriginal children, youth and families.
- Develop a strategy to improve the participation of and partnerships with First Nations, Metis, and other Aboriginal peoples in the design and delivery of services to children, youth and families.
- In collaboration with all the partners, review provincial policies and programs to ensure that they are working towards meeting the needs of First Nations, Metis and other Aboriginal communities.
- Implement strategies with Aboriginal communities to prevent and reduce the incidence of youth suicide.

- Promote and improve access to the Ministry's bursary and mentoring programs to help increase the educational attainment of Aboriginal children and youth in care, to support vocational and educational pursuits and contribute to the supports they need for a successful transition to adulthood.
- In collaboration with First Nations representatives, continue to strengthen the accountability framework for child welfare agreements that support First Nations communities in the governance, delivery and evaluation of child protection and permanency planning services for Aboriginal children and youth.
- Develop a new agreement to promote joint planning and action between the Ministry, the Metis Nation of Alberta Association, Metis Settlements General Council and Metis Settlements respecting equitable participation and involvement of Metis peoples in the programs, policies and standards that affect Metis children.

Performance Measures

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Aboriginal children in foster care who are placed with Aboriginal families.	New	Baseline data	= or higher than baseline	= or higher than baseline

What it means: When children and youth must be removed from their homes, efforts should be made to place them in families that are geographically, ethno-culturally and socially familiar and nurturing to the child. Focusing on Aboriginal children in foster care, this measure is an effort to show how the Ministry is performing in its efforts to achieve ethno-cultural placement matching thereby contributing to reconnecting Aboriginal children to their cultural roots and environment.

Source: Child Welfare Information System

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Aboriginal children in care of the Director of Child Welfare who advance at least one grade level in a specified school year.	Baseline established 2003-04	= or higher than baseline	= or higher than baseline	= or higher than baseline

What it means: Maltreatment can result in cognitive and academic delays. This measure of school performance provides an indicator of how well the child welfare system has contributed to the development of Aboriginal children under care of the Director of Child Welfare.

Source: Child Welfare Information System

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Aboriginal children who suffer injury that results in hospitalization or death while receiving child protection services.	New	Baseline data	= or lower than baseline	= or lower than baseline

What it means: Protection from serious harm is a key priority for all child protection services. This measure provides an indication of Alberta Children's Services' performance in keeping Aboriginal children safe from harm.

Source: Child Welfare Information System

GOAL FIVE

Communities will have the capacity to plan and deliver services that promote the well-being of children, youth and families

What it means Children must have safe places to learn, grow and thrive outside the home, and a strong connection to family and community. The Ministry works in partnership with Albertans to develop resources that make communities safe, healthy and self-reliant, and that build on the unique capacity of communities to deliver the right services for children, youth and families, in the right place, and at the right time.

Outcomes

Alberta is recognized for leadership in promoting strong children, families and communities at the international, national, provincial and community levels.
Communities are responsive to the needs, values and cultures of children and their families.
Children, youth and families participate in decisions that affect them.
Albertans are involved in addressing issues faced by children, youth and families.

Strategies

- Champion the best interests of children and youth through Cross-Ministry Initiatives, in particular:
  - Alberta Children and Youth Initiative to support the healthy development of children and youth
  - Aboriginal Policy Initiative to improve the well-being and self reliance of Aboriginal people, and to clarify federal, provincial and Aboriginal roles and responsibilities,
  - Health Sustainability Initiative enhances the sustainability of the health system now and in the future by strengthening policy integration and collaboration across ministries.
- Promote the capacity and accountability of Child and Family Services Authorities, Family and Community Support Services, and Aboriginal communities to design, integrate, deliver and assess services for children, youth and families.
- Work with partners to provide natural advocates and opportunities for adults to connect with vulnerable children and youth who would benefit from having the support of an adult.
- Collaborate with the Alberta Centre for Child, Family and Community Research, community, Ministry and university partners to promote policy-relevant research and best practices to improve outcomes for children, youth, families, and communities.
- Facilitate opportunities for citizens to participate in public forums and discussions to advance the well-being of children, youth and families, including the Children's Forum, Youth Advisory Panel, and Youth Forums.
- Provide leadership on international, national, and inter-provincial initiatives to promote the safety, well-being and development of children, youth and families.
- Develop an educational awareness campaign among Albertans on the needs and achievements of Alberta's children, youth and families.
- Support the implementation of Alberta's Promise, a public-private partnership dedicated to finding new and better ways of working together to give children the opportunity to lead happy, healthy, and successful lives.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of community stakeholders reporting an increase in the community's ability to meet the needs of children, youth and families.	62.5%	70%	n/a*	70%

Note: * Surveys done every two years.

What it means: Involvement of community stakeholders at the local level improves the delivery of services to children and better enables response to specific community needs. This measure involves a survey conducted with a comprehensive listing of community stakeholders provided by the Child and Family Services Authorities.

Source: Community Partners Survey

MINISTRY-WIDE CORPORATE STRATEGIES

The Ministry's corporate strategies support goal achievement across all three core businesses. Children's Services is committed to staff development, strengthening the business practices and infrastructure required to deliver services, and promoting the cost effective management of resources to improve outcomes for children, youth, and families. Children's Services will:

I. Develop Ministry-wide performance measures with a focus on aligning these with the National Outcome Measures to improve comparability, linkages with regional authorities, and effective management and reporting of results.

II. Improve communications with all partners in the design and delivery of policies, programs and services for children, youth and families.

III. Involve clients and stakeholders in the regular evaluation of programs and services to continuously benefit children, youth and their families.

IV. Strengthen the accountability framework in regional authorities, delegated First Nations agencies, and Family and Community Support Services.

V. Implement a strategy to attract, retain, and develop staff skills across the Ministry in keeping with government's Corporate Human Resource Development strategy.

VI. Increase the effectiveness of the Ministry's information management and technology.

VII. Establish and maintain leading edge financial management and other business "best practices".

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Promoting the development and well-being of children, youth and families	178,078	207,454	201,329	220,300	233,840	247,481
Keeping children, youth and families safe and protected	464,624	486,658	492,631	505,644	515,903	520,699
Promoting healthy communities for children, youth and families	15,470	14,450	15,309	15,807	15,774	15,751
MINISTRY EXPENSE	658,172	708,562	709,269	741,751	765,517	783,931

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Governmental Transfers	25,000	30,000	30,000	30,000	30,000	30,000
Transfers from Government of Canada	106,261	139,933	151,273	172,109	186,989	206,648
Other Revenue	14,243	14,005	14,005	11,550	11,800	12,050
MINISTRY REVENUE	145,504	183,938	195,278	213,659	228,789	248,698
EXPENSE						
Program						
Promoting the development and well-being of children, youth and families:						
Child Care	55,542	68,498	61,731	68,557	71,057	71,057
Family and Community Support Services	56,667	60,786	60,786	63,470	64,970	66,970
Early Intervention	28,498	33,644	33,314	37,410	37,410	37,410
Prevention of Family Violence	14,280	17,076	18,140	19,680	24,680	28,980
Parenting Resources	5,420	6,000	6,624	8,330	11,330	17,030
Fetal Alcohol Initiatives	2,947	4,750	4,562	5,335	6,335	7,335
Youth in Transition	911	1,250	1,250	1,250	1,250	1,250
Keeping children, youth and families safe and protected:						
Child Welfare Services	359,462	370,382	378,642	381,389	381,389	381,389
Resources for Children with Disabilities	62,860	72,409	70,496	77,517	84,533	88,697
Protecting Children from Sexual Exploitation	4,293	5,622	4,980	5,600	5,600	5,600
Advocacy on Behalf of Children and Youth	1,968	2,000	2,000	3,800	7,300	8,300
Promoting healthy communities for children, youth and families:						
Community Capacity Building	11,570	10,399	10,399	12,665	12,665	12,665
Child and Family Research	2,700	2,000	2,800	1,000	1,000	1,000
Alberta's Promise	-	975	975	975	975	975
Support Services:						
Ministry Support	11,594	10,970	10,970	12,255	12,255	12,255
Program Support	37,248	39,355	39,154	40,480	40,730	40,980
Amortization of Capital Assets	991	946	946	538	538	538
Valuation Adjustments and Other Provisions	1,221	1,500	1,500	1,500	1,500	1,500
MINISTRY EXPENSE	658,172	708,562	709,269	741,751	765,517	783,931
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(512,668)	(524,624)	(513,991)	(528,092)	(536,728)	(535,233)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	145,504	183,938	195,278	213,659	228,789	248,698
Inter-ministry consolidation adjustments	(25,771)	(30,670)	(30,670)	(30,000)	(30,000)	(30,000)
Consolidated Revenue	119,733	153,268	164,608	183,659	198,789	218,698
Ministry Program Expense	658,172	708,562	709,269	741,751	765,517	783,931
Inter-ministry consolidation adjustments	(771)	(670)	(670)	-	-	-
Consolidated Program Expense	**657,401**	**707,892**	**708,599**	**741,751**	**765,517**	**783,931**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(537,668)	(554,624)	(543,991)	(558,092)	(566,728)	(565,233)

Community Development

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Gene Zwozdesky

Gene Zwozdesky, *Minister of Community Development*
March 3, 2004

THE MINISTRY

Alberta Community Development is a diverse ministry that includes the Department of Community Development and encompasses the following divisions: Community and Citizenship Services, Community Support Systems, Cultural Facilities and Historical Resources, Parks and Protected Areas, and Ministry Support Services, as well as the Francophone Secretariat. The following reporting agencies, boards and commissions are also part of the ministry:

- Alberta Foundation for the Arts;
- the Alberta Historical Resources Foundation;
- Alberta Human Rights and Citizenship Commission;
- Alberta Sport, Recreation, Parks and Wildlife Foundation;
- the Government House Foundation;
- Human Rights, Citizenship and Multiculturalism Education Fund;
- Persons with Developmental Disabilities Boards;
- Premier's Council on the Status of Persons with Disabilities; and
- the Wild Rose Foundation.

Although each of the ministry's reporting agencies and foundations produces its own separate strategic plan, the essential elements of these plans are integrated within the ministry consolidated business plan. A summary of the Persons with Developmental Disabilities Provincial Board companion service/business plan for 2004-07 is attached in the *Appendix*.

The order of presentation of ministry divisions and entities, core businesses, goals and strategies does not reflect any priority ranking. Achievement of these core businesses and goals is realized through a diverse range of ministry activities, not all of which are detailed in this business plan.

LINK TO THE GOVERNMENT STRATEGIC BUSINESS PLAN

The Community Development 2004-07 Business Plan supports the realization of the Government of Alberta's four strategic opportunities for the future in the areas of unleashing innovation, leading in learning, competing in the global marketplace and making Alberta the best place to live, work and visit. In support of these opportunities, the ministry preserves and presents Alberta's historical and natural heritage and promotes heritage tourism. The ministry also supports these opportunities through fostering the arts, sport and recreation, libraries and the voluntary sector and supporting the protection of human rights and the inclusion and participation of all Albertans in the social, cultural and economic life of the province.

The Community Development 2004-07 Business Plan is also aligned with the Government of Alberta's core businesses of *People*, *Prosperity* and *Preservation* and directly supports the realization of four government-wide goals, fifteen strategies and nine performance measures presented in the Government of Alberta 2004-07 Business Plan.

VISION

A superior quality of life reflecting fair, inclusive, and active communities engaged in valuing Alberta's cultural, historical, and natural heritage.

MISSION

To preserve and present Alberta's cultural and natural heritage, and promote community development, fairness and an inclusive society.

CORE BUSINESSES

Core Business 1: Support individuals and organizations through community development.

Goal 1 - Support individuals, organizations and communities in the development of their capacity to participate in, and contribute to, activities in the areas of the arts, sport and recreation, libraries and the voluntary sector.

Core Business 2: Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans.

Goal 2 - Support people in having an opportunity to participate in the social, economic and cultural life of the province without discrimination.

Goal 3 - Ensure that Albertans with disabilities have the opportunity to be fully included in the social, economic and cultural life of the province and that adult Albertans in care are protected from abuse.

Core Business 3: Preserve, protect and present Alberta's history, culture, provincial parks and protected areas.

Goal 4 - Preserve, protect, present, research and promote appreciation for Alberta's historical resources and culture and provide opportunities for heritage tourism.

Goal 5 - Maintain Alberta's provincial parks and protected areas to preserve the province's natural heritage and provide opportunities for heritage appreciation, outdoor recreation and heritage tourism.

MINISTRY VALUES

The ministry is committed to the following values to help guide its activities:

Personal and Ethical: respect, recognition, honesty, integrity, impartiality
Professional: innovation, commitment, leadership, teamwork, collaboration with stakeholders
Results Based: provision of quality services, accountability for the use of public resources

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The service issues, major needs, trends and opportunities that define the environment in which the ministry operates provide guidance in developing the ministry's goals and strategies. Issues within the strategic environment that impact the business plan of the ministry include:

1. Increasing demands for assistance with building community capacity in the areas of the arts, sport and recreation, libraries, human rights and the voluntary sector;
2. Increasingly complex demands within the public library and archival systems for service delivery and access to information in a rapidly changing society;
3. Responding to Albertans who face discrimination, increasing complexity of human rights and diversity issues, and the growing need for programs and services that contribute to building a more inclusive and respectful society;
4. Increasing needs generated by the aging of persons with disabilities and their parents/guardians;
5. Needs to strengthen safeguards for vulnerable adults in care;
6. A need to respond to the Premier's Council on the Status of Persons with Disabilities *Alberta Disability Strategy* that calls for a more holistic, responsive, and accountable framework to support innovative, cost-effective and coordinated services for persons with disabilities;
7. Increasingly high expectations for up-to-date exhibits and services at provincial historic sites, museums, and interpretive centres, which continue to attract approximately one million local and international visitors annually;
8. Balancing the public's expectations for outdoor recreation opportunities against their expectations for the protection and preservation of Alberta's natural heritage and ecological diversity, as provincial parks and protected areas continue to attract over eight million visitors annually;
9. Effective management, protection and monitoring of all Alberta provincial parks and protected areas, given the expansion of 13 existing parks and protected areas and the creation of 81 new ones as a result of the Special Places program;
10. Changing expectations, demographics and trends in outdoor recreation and heritage tourism;
11. Needs to maintain, upgrade and renew the aging infrastructure for provincial historic sites, museums, interpretive centres, parks and protected areas in order to protect the integrity of Alberta's heritage infrastructure;
12. Integrating new information technologies within the ministry's operations to optimize the preservation, protection and presentation of Alberta's history, culture, provincial parks and protected areas; and
13. New revenue generation alternatives and flexible financial arrangements to facilitate the preservation, protection and presentation of Alberta's history, culture, provincial parks and protected areas.

STRATEGIC PRIORITIES 2004-07

Through the ministry's review of external and internal challenges the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the ministry and are of primary importance in focusing the ministry on achieving its goals:

1. Inclusive Communities Linkage: Core Business 2 Goals 2 and 3	Fostering equality, supporting the reduction of discrimination and barriers to full participation in society for everyone in Alberta, and supporting the development of inclusive communities.
2. Infrastructure Renewal Linkage: Core Business 3 Goals 4 and 5	Upgrading, renewing and maintaining infrastructure for provincial historic sites, museums, interpretive centres, and parks and protected areas.
3. Capacity Building Linkage: Core Business 1 Goal 1	Engaging individuals, organizations and communities to increase possibilities to participate in and develop the areas of the arts, sport and recreation, libraries and the voluntary sector.

CORE BUSINESSES, GOALS, STRATEGIES, AND MEASURES

Achievement of the core businesses is assisted through a ministry-wide commitment to a process of strategic business planning that includes an ongoing review of the relevance of all strategies and performance measures, and the evaluation of results achieved, in order to improve performance and inform decision making within the ministry.

The ministry's core businesses are linked to goals that reflect the desired results of programs and services delivered by the ministry. Specific strategies outline how the ministry aims to achieve each goal. The ministry's success in achieving these goals is measured through a range of performance measures. Where appropriate, targets for the measures have been set as an average of the last three years' results, plus a 1% stretch factor.

Core Business One: Support individuals and organizations through community development

GOAL ONE

Support individuals, organizations and communities in the development of their capacity to participate in, and contribute to, activities in the areas of the arts, sport and recreation, libraries and the voluntary sector.

What it means

- Working with organizations and communities to strengthen community capacity in the areas of the arts, sport and recreation, libraries and the voluntary sector by providing financial support, consultation, access to information, education and facilitation.
- Working with individuals to increase the possibilities for participation in, and contribution to, activities that enhance the quality of life to which they aspire.

- Providing support to key activities such as: connecting Alberta libraries to the SuperNet; reviewing the Active Living Strategy; affirming the actions of the Alberta Sport Plan; and delivering the Film Development, Film Classification and Voluntary Sector Advancement Programs.
- Supporting the operation of the Alberta Foundation for the Arts; the Alberta Sport, Recreation, Parks and Wildlife Foundation; and the Wild Rose Foundation.
- Serving as a liaison between the government and the Francophone community in Alberta.

Strategies

1.1 Enhance the capacity of organizations to fulfill their mandates and objectives through organizational development support in the areas of leadership development, financial management, partnership development and program delivery.

1.2 Support Albertans' access to opportunities for participation and involvement in activities that contribute to advancing quality of life.

1.3 Further compliance with statutory requirements that influence a high standard of quality for community-based service delivery.

1.4 Facilitate awareness and appreciation in the areas of the arts, sport and recreation, libraries and the voluntary sector to maintain an environment for participation in, and contributions to, activities that enhance the quality of life in Alberta.

1.5 Utilize support from the renegotiated 2004-07 Canada/Alberta Cooperation Agreement to foster development of the Francophone community and collaboration with other ministries on a number of community priority areas including: children and youth initiatives, arts and culture, heritage preservation, and early childhood and health related services.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1.a Level of community volunteerism by adult Albertans	70.6%	73%	73%	73%
1.b Participation in sport and recreational activities by adult Albertans	82.6%	85%	85%	85%
1.c Usage of public library services by adult Albertans	52.8%	54%	54%	54%
1.d Participation in arts and cultural activities by adult Albertans	89.2%	90%	90%	90%
1.e Customer satisfaction with community development services	98.0%	99%	99%	99%
1.f Impact of the support provided by the Alberta Film Development Program:				
i. Number of film production employment opportunities for Albertans	1,740	2,950	2,950	2,950
ii. Value of film production by Albertans in Alberta ($ millions)	25.7	56	56	56

Core Business Two: Protect human rights, promote fairness and access, and support the protection, inclusion, and participation of all Albertans

GOAL TWO

Support people in having an opportunity to participate in the social, economic and cultural life of the province without discrimination.

What it means

- Supporting equal dignity, rights and responsibilities, and sharing an awareness and appreciation of our diverse racial and cultural composition enhances the richness of life in Alberta.
- Protecting human rights and reducing discrimination and barriers to full participation in society through working with individuals, organizations, workplaces and communities.
- Providing services in resolving and adjudicating human rights complaints, and through information and educational programs, consultation and facilitation, and by providing financial support.
- Providing support to key activities such as investigating strategies to expedite the human rights complaint management process; consulting with the community on Human Rights, Citizenship and Multiculturalism Education Fund strategies and priorities; undertaking strategies to build recognition and awareness; developing new information resources to develop a greater understanding of human rights and diversity issues; and undertaking collaborative projects with other governments and organizations that further human rights goals.
- Facilitating the operations of the Alberta Human Rights and Citizenship Commission and the Human Rights, Citizenship and Multiculturalism Education Fund.

Strategies

2.1 Protect human rights by delivering services to resolve and adjudicate complaints of alleged discrimination, inclusive of statutory compliance.

2.2 Support the development of awareness, understanding and capacity of individuals, organizations, communities and workplaces that contribute to building a society that is respectful of human rights and diversity and that is free of discrimination.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
2.a Adult Albertans' perception of the effectiveness of human rights protection in Alberta	83.7%	86%	86%	86%

GOAL THREE

Ensure that Albertans with disabilities have the opportunity to be fully included in the social, economic and cultural life of the province and that adult Albertans in care are protected from abuse.

What it means

- Supporting the activities of the Persons with Developmental Disabilities Boards to ensure the development, maintenance and delivery of quality programs and services to persons with developmental disabilities.
- Providing persons with developmental disabilities with quality programs and services that assist them to live, work and participate in community life.
- Fostering community capacity to include persons with developmental disabilities.

- Supporting community governance processes that are responsive to individuals with developmental disabilities, their families/guardians and their community.
- Protecting adult Albertans in care by investigating allegations of abuse in publicly funded care facilities under the *Protection for Persons in Care Act*, and recommending actions to prevent further incidents.
- Promoting the inclusion and participation of persons with disabilities in community life and fostering continued response to the Gaps in Service Project and development of the Alberta Brain Injury Initiative.

Strategies

3.1 Further the Alberta Disability Strategy by creating an Office for Disability Issues to work with the Premier's Council on the Status of Persons with Disabilities and government ministries to encourage greater cross-government coordination and more effective delivery of programs for Albertans with disabilities.

3.2 Contribute to the development of programs and services that support the needs of persons with disabilities by responding to the outcomes of the Gaps in Service Project, continuing to support and enhance the Alberta Brain Injury Initiative and by coordinating interdepartmental work on issues relating to the Alternative Communications Strategy.

3.3 Strengthen and initiate consultations with Albertans to assist in the identification and resolution of systemic issues arising from the needs of persons with disabilities and vulnerable adults in care.

3.4 Provide leadership in safeguarding vulnerable adults in care by responding to and investigating allegations of abuse and developing educational initiatives related to prevention of abuse.

3.5 Enhance the protection of persons in care from abuse and improve the life of adult Albertans in care by implementing the results of the legislative review of the *Protection for Persons in Care Act*.

3.6 Improve Persons with Developmental Disabilities Boards' processes for adults with developmental disabilities and their families and guardians to determine the support they need.

3.7 Support and strengthen communities' capacity to include persons with developmental disabilities.

3.8 Partner with the service sector to ensure adults with developmental disabilities receive quality support that facilitates inclusion.

3.9 Work with governments at the provincial, federal and municipal levels to ensure policies are aligned and programs are responsive to persons with developmental disabilities.

3.10 Enhance the effectiveness of community governance for persons with developmental disabilities through the 2nd Century Communities Initiative.

Performance Measures		Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
3.a	Satisfaction, by persons with developmental disabilities, with PDD-funded services (biennial survey)	94.4%	95%	n/a	95%
3.b	Satisfaction, by families/guardians of persons with developmental disabilities, with PDD-funded services (biennial survey)	88.7%	91%	n/a	91%

Core Business Three: Preserve, protect and present Alberta's history, culture, provincial parks and protected areas

GOAL FOUR 4

Preserve, protect, present, research and promote appreciation for Alberta's historical resources and culture and provide opportunities for heritage tourism.

What it means

- Operating, in consultation and/or partnership with cooperating societies, provincial historic sites, museums and interpretive centres; the Provincial Archives of Alberta; and the Northern and Southern Alberta Jubilee Auditoria.
- Delivering public programs and exhibits and conducting applied research to increase public knowledge of Alberta's past.
- Identifying, acquiring and preserving cultural and natural resources of significance to Alberta.
- Acquiring and preserving significant private and government records and making them available for research purposes.
- Regulating land-based development activity to preserve significant historical resources.
- Providing professional and technical advice and funding assistance through the Alberta Historical Resources Foundation to parties involved in historical preservation and presentation.

Strategies

4.1 Work with Alberta Infrastructure to a) undertake planning to redevelop the Provincial Museum of Alberta, b) develop appropriate storage solutions for the province's heritage collections, c) implement major renovations to the Jubilee Auditoria, d) improve access to the province's modern heritage facilities for persons with disabilities, and e) continue to review and update recapitalization requirements for other provincially owned and operated historic sites, museums and cultural facilities.

4.2 Coordinate Alberta's 2005 Centennial program in partnership with other ministries, foundations, communities, non-profit organizations, municipalities and the federal government to provide opportunities for Albertans to participate in the celebrations and leave a legacy for future generations.

4.3 Continue planning for an electronic records preservation strategy to facilitate the acquisition, preservation and access of primary records.

4.4 Increase the efficiency, effectiveness and quality of existing historical resource management programs by continuing to work with stakeholders and other government entities.

4.5 Further the preservation of heritage properties by working with the Department of Canadian Heritage on the new national Historic Places Initiative.

4.6 Continue to develop the Collections and Exhibits Infrastructure Management System and explore alternative approaches to infrastructure management system development.

4.7 Investigate, identify and implement steps to increase self-generating revenues for facility/program reinvestment partnerships, and pursue external funding opportunities for the enrichment of the ministry heritage and cultural facilities network.

4.8 Continue to improve data collection methods at provincial historic sites, museums and interpretive centres to ensure consistent reporting of performance measurement information.

Performance Measures	Last Actual (year)	Target 2004-05	Target 2005-06	Target 2006-07
4.a Satisfaction of visitors with experiences at provincial historic sites, museums and interpretive centres	97.9% (2002-03)	99%	99%	99%
4.b Knowledge gained of Alberta history by visitors to provincial historic sites, museums and interpretive centres	87.8% (2002-03)	90%	90%	90%
4.c Economic impact of provincial historic sites, museums and interpretive centres ($ millions):				
i. Value-added impact	55.1 (2001-02)	55	55	55
ii. Taxation revenue returned to three levels of government	20.7 (2001-02)	21	21	21

GOAL FIVE

Maintain Alberta's provincial parks and protected areas to preserve the province's natural heritage and provide opportunities for heritage appreciation, outdoor recreation and heritage tourism.

What it means

- Preserving a network of provincial parks and protected areas that represents the diversity of the province's natural heritage and related cultural heritage.
- Providing opportunities for Albertans and visitors to explore, understand and appreciate the province's natural heritage through nature and heritage based recreation and tourism opportunities, facilities and services.

Strategies

5.1 Work with the Ministries of Infrastructure, Transportation, Environment and Economic Development to develop and advance a reinvestment strategy for Alberta's provincial parks and major recreation areas to re-capitalize and sustain basic facilities and ensure public health and safety, including a safe and secure drinking water supply.

5.2 Develop an updated parks system plan and strategic direction for the management and protection of Alberta's provincial parks and protected areas.

5.3 Develop, consolidate and update legislation and regulations to provide a sound basis for the management and protection of Alberta's provincial parks and protected areas.

5.4 Develop and implement a revitalization strategy for heritage appreciation that includes education and interpretive and marketing strategies to increase Albertans' awareness and appreciation for Alberta's provincial parks and protected areas.

5.5 Increase opportunities for volunteer involvement and new partnerships to enhance research, monitoring and the provision of services at provincial parks and protected areas.

5.6 Enhance the Alberta Natural Heritage Information Centre's ability to provide quality natural heritage data to support effective management and protection of Alberta's provincial parks and protected areas and to provide natural heritage data to clients and partners in other provincial and federal agencies, universities, industry, and national and international conservation organizations.

5.7 Identify biophysical resource inventory and management planning priorities for the 2004-07 timeframe and complete biophysical resource inventories and management plans for priority parks and protected areas.

5.8 Work with Alberta Infrastructure to complete the planning and development of four Centennial Legacy projects (visitor centres in Writing-on-Stone, Dinosaur, and Cypress Hills Provincial Parks and the Boreal Centre for Bird Conservation, an avian research centre in Lesser Slave Lake Provincial Park).

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
5.a Satisfaction of visitors with experiences at provincial parks and recreation areas	87.1%	To be determined (methodology revised)		

CROSS-MINISTRY PRIORITY POLICY INITIATIVES

The ministry will participate in, and provide support and/or facilitative services for, the following priority policy initiatives:

1. **Aboriginal Policy Initiative** - Supported through:
   - delivering programs that provide for Aboriginal leadership development and participation in sport, recreation and cultural activities (e.g. Alberta's Future Leaders Program and Arts Camps for Aboriginal youth);
   - repatriating ceremonial and sacred objects and developing Ceremonial Object Repatriation Regulations;
   - participating in the development of government policy for unregistered burials;
   - working with Aboriginal people to preserve, protect and present Aboriginal culture;
   - assisting in the development of Aboriginal tourism opportunities; and
   - participating in the Aboriginal Consultation Initiative regarding resource development.

2. **Alberta Children and Youth Initiative** - Supported through:
   - providing financial assistance to community-based programs and services that place a priority on projects that support the participation and inclusion of children, youth and their families;
   - providing curriculum-based and family-oriented learning opportunities at provincial historic sites, museums, interpretive centres and major provincial parks; and
   - participating on committees, including the Partnering Deputies Committee and Key Contacts Committee.

3. **Economic Development Strategy** - Supported through:
   - providing consultative, financial and programming support in the areas of the arts, sport and recreation, libraries, human rights and the voluntary sector that enhances opportunities for economic development in communities;
   - participating in the Rural Development Initiative;
   - providing nature and heritage-based tourism opportunities by operating provincial heritage and cultural facilities and preserving a network of provincial parks and protected areas; and
   - participating in the development of Alberta's tourism policy and programs through the Strategic Tourism Marketing Council.

4. **Health Sustainability Initiative** - Supported through:
   - providing consultation and financial assistance to community-based programming that contributes to health through the promotion and support of active living;
   - providing public education that contributes to health by encouraging physical activity through the Summer Active Campaign;
   - supporting programs that target physical activity for specific groups of Albertans (e.g. the Home Support Exercise Program for seniors); and
   - responding to the Gaps in Service Project and continuing to enhance the Alberta Brain Injury Initiative.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Support Individuals and Organizations through Community Development	78,817	96,646	99,286	100,284	97,877	93,273
Protect Human Rights, Promote Fairness and Access, and Support the Protection, Inclusion and Participation of All Albertans	414,421	458,003	458,029	483,865	502,932	512,953
Preserve, Protect and Present Alberta's History, Culture, Provincial Parks and Protected Areas	79,695	88,630	83,828	106,745	102,011	85,291
MINISTRY EXPENSE	572,933	643,279	641,143	690,894	702,820	691,517

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	56,298	72,160	72,160	85,861	85,861	70,531
Transfers from Government of Canada:						
Canada Social Transfer	-	-	-	20,013	20,708	21,483
Canada Health and Social Transfer	14,896	14,642	17,015	-	-	-
Other	573	1,455	1,655	2,079	1,939	1,939
Investment Income	1,224	1,484	1,384	1,660	1,675	1,675
Premiums, Fees and Licences	8,269	9,257	8,654	9,565	9,720	9,685
Other Revenue	9,385	7,864	8,631	7,369	7,252	7,282
MINISTRY REVENUE	90,645	106,862	109,499	126,547	127,155	112,595
EXPENSE						
Program						
Support Individuals and Organizations through Community Development	74,825	91,321	94,010	95,388	92,904	87,809
Protect Human Rights and Promote Fairness and Access	4,438	4,761	4,862	5,276	5,326	5,303
Support the Protection, Inclusion and Participation of All Albertans	408,707	451,620	451,621	476,983	495,993	505,988
Preserve, Protect and Present Alberta's History and Culture	38,184	37,722	39,238	53,638	53,598	36,823
Preserve, Protect and Present Alberta's Provincial Parks and Protected Areas	37,474	46,025	40,135	47,895	43,230	43,472
Ministry Support Services	8,888	11,613	11,060	11,497	11,552	11,905
Department Valuation Adjustments and Other Provisions	417	217	217	217	217	217
MINISTRY EXPENSE	572,933	643,279	641,143	690,894	702,820	691,517
Gain (Loss) on Disposal of Capital Assets	(9,165)	1,179	24	6,279	2,266	2,266
NET OPERATING RESULT	(491,453)	(535,238)	(531,620)	(558,068)	(573,399)	(576,656)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	90,645	106,862	109,499	126,547	127,155	112,595
Inter-ministry consolidation adjustments	(56,298)	(72,160)	(72,160)	(85,861)	(85,861)	(70,531)
Consolidated Revenue	34,347	34,702	37,339	40,686	41,294	42,064
Ministry Program Expense	572,933	643,279	641,143	690,894	702,820	691,517
Inter-ministry consolidation adjustments	(50)	-	-	-	-	-
Consolidated Program Expense	**572,883**	**643,279**	**641,143**	**690,894**	**702,820**	**691,517**
Gain (Loss) on Disposal of Capital Assets	(9,165)	1,179	24	6,279	2,266	2,266
CONSOLIDATED NET OPERATING RESULT	(547,701)	(607,398)	(603,780)	(643,929)	(659,260)	(647,187)

APPENDIX

PERSONS WITH DEVELOPMENTAL DISABILITIES PROVINCIAL BOARD

The Persons with Developmental Disabilities (PDD) Provincial Board, through six regional community boards, provides supports to adults with developmental disabilities and their families/guardians. The mandate of the PDD Provincial Board is to enable adult Albertans with developmental disabilities to be included in community life. The PDD Provincial Board is a provincial corporation and prepares a companion service/business plan. The following are the strategic elements that create the framework for that plan.

CORE BUSINESSES

1. To enable adults with developmental disabilities to sustain quality lives.
2. To recognize and support the capacity of communities to include persons with developmental disabilities in community life.
3. To ensure the community governance system is responsive and accountable to individuals with developmental disabilities, their families/guardians and their communities.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

1. Working within the framework of a Government of Alberta Business Plan that signals the beginning of a new era where the diverse gifts of all Albertans will be valued.
2. Appreciating solid, historical relationships with community-based organizations as one of the foundations of supporting persons with developmental disabilities.
3. Supporting the capacity of communities to include individuals with developmental disabilities.
4. Shifting from governing to governance with a new approach to public policy development.
5. Defining the types of accountability that are desirable and the required governance approaches.
6. Establishing the right kind of relationships within each sector of the PDD Provincial Board's governance framework to ensure Albertans with developmental disabilities are living inclusive lives.
7. Developing a long-term resource allocation strategy that supports an effective governance system in realizing its vision, mission and values.

STRATEGIC PRIORITIES 2004-07

1. Addressing barriers to community living for persons with developmental disabilities such as affordable housing; meaningful employment, and public transportation.
2. Supporting and valuing a community rehabilitation workforce as primary partners in achieving our vision and mission.
3. Continuing to support the development of community capacity to include individuals with developmental disabilities.
4. Defining and clarifying the relationships and accountabilities among stakeholder groups and the Provincial Board needed to achieve its vision and mission.

PERFORMANCE MEASURES

The Persons with Developmental Disabilities (PDD) Provincial Board has a number of performance measures associated with the delivery of its programs and services, including the performance measures listed under goal three of the ministry's business plan. Additional PDD measures are identified in the PDD Provincial Board's service/business plan.

Economic Development

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Mark Norris, *Minister of Economic Development*
March 3, 2004

THE MINISTRY

Our primary clients include: leaders of small and medium enterprises, large organizations, governments, and communities interested in and capable of participating in a globally competitive economy.

Economic Development has department staff in Edmonton and Calgary and in eight regional offices to serve the economic needs of Alberta communities. The Department operates international offices in China (2), Hong Kong, Japan, South Korea, Taiwan, the U.K., Mexico and Germany to facilitate access to international markets, create networks, and generate a positive business climate.

In addition to the Department, the Ministry of Economic Development includes the Alberta Economic Development Authority (AEDA) and the Strategic Tourism Marketing Council (including the Travel Alberta Secretariat). The Ministry also operates the Alberta Film Commission Office which is the central point of contact for film industry investors and producers considering Alberta as a location for film, television, and video production. All of these unique relationships ensure the Department's goals are achieved in partnership with business and industry sectors.

LINK TO THE GOVERNMENT BUSINESS PLAN

Economic Development links closely to *Today's Opportunities, Tomorrow's Promise: A Strategic Plan for the Government of Alberta*, and the vision of a vibrant and prosperous province with strong economic fundamentals. Through *Securing Tomorrow's Prosperity*, a value-added strategy, the Ministry facilitates the development of a growing, diversified and competitive manufactured goods and business services industry.

Economic Development contributes to the Government of Alberta's three core businesses of people, prosperity and preservation, with a primary focus on prosperity and goal 7 of the Government of Alberta business plan:

GOAL 7: ALBERTA WILL HAVE A PROSPEROUS ECONOMY.

Economic Development provides strategic information and planning input for Alberta's economy. The Department facilitates a coordinated approach to address Alberta's economic challenges in collaboration with other government ministries. *Securing Tomorrow's Prosperity* endorses a more diversified and competitive Alberta. The Ministry also has ten sector teams that partner with industry clients and other stakeholders to improve the competitiveness of Alberta's industries. Economic Development has developed Alberta's International Marketing Strategy and targets priority markets for investment attraction, tourism and trade.

VISION

Alberta is the best place in the world to live, visit and do business.

MISSION

To facilitate business and community prosperity.

CORE BUSINESSES

Core Business 1: Strategic Economic Leadership and Business Intelligence
- Goal 1 - Facilitate economic growth and diversification through collaborative strategic planning and policy development
- Goal 2 - Provide client-driven economic and business information and intelligence

Core Business 2: Industry and Regional Development, Trade Promotion and Investment Attraction
- Goal 3 - Increase the growth and competitiveness of Alberta's value-added sectors
- Goal 4 - Increase exports of Alberta value-added goods and services
- Goal 5 - Increase the awareness of Alberta to potential investors in our primary international markets
- Goal 6 - Provide regional economic development support to Alberta communities

Core Business 3: Tourism Marketing and Development
- Goal 7 - Facilitate the growth and expansion of marketable tourism product
- Goal 8 - Increase tourism visitation from targeted Canadian and international tourism markets

VALUES

We value a facilitative, collaborative and effective team-based approach. We are market, opportunity and client-value driven. We strive to build a leadership team that directs and enables our future success. We foster an environment of entrepreneurship and commitment to learning. We encourage the creation and sharing of information and knowledge among colleagues to enhance our overall effectiveness. We achieve credibility with our clients and each other through competent, consistent, and accountable actions. We value our key product: *the delivery of the right information in the right timeframe to impact industry decision-making.*

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Despite increasing global change, Alberta's economy continues to be in a position of strength with respect to most key economic indicators. Investment levels enjoyed over the past decade have provided Albertans with the most enviable record in Canada in terms of job creation, average family income, standard of living, and low overall tax burden.

Looking ahead, the challenge for Alberta will be to sustain our economic performance and to reduce the risk of economic instability by broadening and diversifying our economic base.

Fiscal discipline has seen the deficit eliminated and the debt has been reduced to a very manageable level. Alberta's overall tax regime is very competitive. Significant cuts in corporate and personal tax rates have been made over the past several years. Alberta businesses also benefit from not having to pay corporate capital taxes, payroll taxes or sales taxes on business inputs as part of our low rate, broad-based tax regime.

IMPORTANCE OF INNOVATION

In an increasingly global economy, innovation is key to keeping ahead of our competitors, and developing new markets, products and services. Alberta cannot simply compete as a low cost business location. A competitive business cost environment is necessary, but not sufficient for creating globally competitive industries.

Alberta's economic success needs to be judged not only by traditional economic indicators, such as GDP and employment, but also by indicators of knowledge creation and innovation. This is because innovation - through investments in research and development, human capital (i.e. education and training) and machinery and equipment - leads to higher levels of productivity and an improved standard of living.

Innovation is essential in all sectors of the economy and a knowledge-based approach does not mean abandoning Alberta's traditional strengths. It means building more value into our traditional goods and services in order to achieve greater returns in the international export market. It is what has driven the development and growth of the oil sands industry in Alberta to become the leading new energy source in North America. Innovation has also been the driver of much of the growth and expansion of the forest products industry, and the development of new functional foods and products in the agri-food industry.

BENCHMARKING ALBERTA'S PERFORMANCE

In a global marketplace, we must compare ourselves with the leading global economies. Benchmarking has been done by Economic Development comparing Alberta with the best in Canada, the United States and Europe. Comparison jurisdictions were chosen on the basis of their strong relative economic and innovation performance, and size and structural similarities with Alberta.

Indicators were selected on the basis of their widespread use in other credible benchmarking exercises, their relevance to performance and innovation, and levels of data quality and availability.

By most economic indicators, Alberta has been Canada's top performer. Even within a broader context, including some of the strongest U.S. and European performers, Alberta has been an above average performer as shown in Chart 1. However, as shown in Chart 2, Alberta's innovation performance lags behind its US and European competitors, as well as other provinces.

Chart 1: Economy has performed well

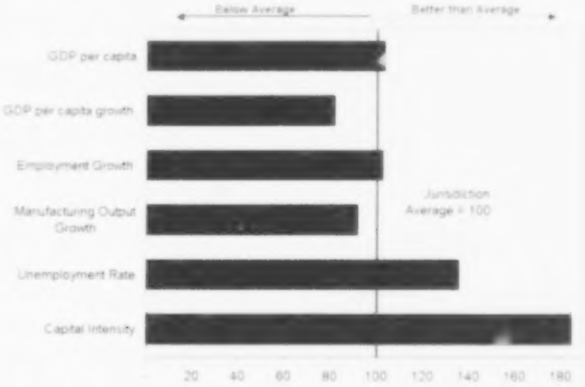
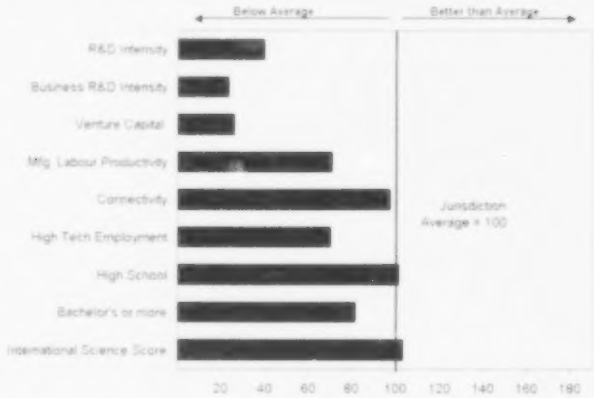


Chart 2: Innovation - more work to do . . .



In *Today's Opportunities, Tomorrow's Promise: A Strategic Plan for the Government of Alberta*, part of the government's vision is that Alberta in 2025 will be a place where:

> The economy shifts toward a knowledge-based approach, with research, technology development and value-added products having a much larger part in the province's prosperity.

In order to achieve this, the government will need to aggressively pursue the directions set out in the province's value-added strategy - *Securing Tomorrow's Prosperity*.

This business plan recognizes the risks and opportunities that Alberta is currently facing and outlines the goals and strategies that will mitigate the risks and capitalize on opportunities.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Economic Development Strategy Cross-Ministry Initiative

Linkage:
Core Business 1,
Goal 1

Economic Development provides leadership and intelligence to strengthen Alberta's economy, an economy capable of constantly innovating and creating higher value jobs, goods and services that will sustain our prosperity and quality of life. The *Economic Development Strategy* provides a framework to build upon existing government strategies such as the *Agriculture Growth Strategy* and *Agriculture Research and Innovation Strategy* (Agriculture, Food and Rural Development), the *Life Sciences Strategy* and *Energy Research Strategy* (Innovation and Science), *Prepared for Growth: Building Alberta's Labour Supply* (Human Resources and Employment) and *Securing Tomorrow's Prosperity* (Economic Development).

The *Economic Development Strategy* Cross-Ministry Initiative is championed with Agriculture Food and Rural Development, Innovation and Science and Human Resources and Employment. Economic Development also participates in the *Aboriginal Policy* and *Health Sustainability* Cross-Ministry Initiatives.

The following are two key components of the *Economic Development Strategy* Cross-Ministry Initiative.

Linkage:
Core Business 1,
Goal 1
Core Business 2,
Goals 3 and 4

Securing Tomorrow's Prosperity

Economic Development leads the value-added strategy, *Securing Tomorrow's Prosperity*, as a major part of the Cross-Ministry Initiative to support the development of a competitive value-added strategy for the province. The strategy is market driven and focused on four strategic directions, which include: enhancing Alberta's current competitive advantages; building Alberta's innovation system; growing and strengthening small and medium-sized enterprises; and focusing on priority value-added sectors. The strategy will serve to accelerate Alberta's continued transition to a broader, more diverse, innovative, knowledge-based and globally competitive economy.

Economic Development utilizes a sector team approach to promote investment and industry development and to work closely with industry clients, associations, and other agencies. We identify and address issues affecting sector growth, competitiveness and productivity in order to develop key industry marketing strategies.

Linkage:
Core Business 2,
Goal 6

Rural and Regional Development

The *Rural Development Strategy*, led by Agriculture, Food and Rural Development with support from Economic Development, is a comprehensive approach to building a rural Alberta comprised of vibrant and sustainable communities.

2. Tourism

**Linkage:
Core Business 3,
Goals 7 and 8**

The Department continues to fund tourism marketing and encourages the growth and expansion of marketable tourism product. Economic Development facilitates the development and improvement of both private and public sector tourism products and assets in Alberta. Marketing priorities are established in the Strategic Tourism Marketing Council's three year Strategic Tourism Marketing Plan and Travel Alberta's marketing activities.

The Department funds tourism marketing through a tourism framework that markets Alberta as a "must see" destination for international visitors, domestic visitors and Albertans and leverages the impact and exposure offered by films produced in Alberta. Economic Development delivers marketing support services including a website - www.travelalberta.com, contact/distribution centres, and visitor information centres.

3. International Marketing and Representation

**Linkage:
Core Business 2,
Goal 5**

The Department works to expand Alberta's economy by taking advantage of the many international opportunities for Alberta goods and services. Our international marketing efforts seek to provide accurate information to our clients, within the appropriate timeframe, to assist them in making trade and investment decisions in response to international market opportunities. Economic Development strives to effectively integrate Alberta's business practices and policies with international business cultures.

In consultation with other ministries, Economic Development has prepared Alberta's International Marketing Strategy AIMS 2003 - Targeting Tomorrow, which articulates the sector opportunities, geographic markets, and sets out the government strategy to refine our international trade development and investment attraction activities.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core businesses set out the ongoing key responsibilities of the Ministry that support the mission and provide a framework for achieving results and allocating resources. Goals are the end results that the Ministry is trying to achieve. Key strategies are specific courses of action undertaken to accomplish the goals and are longer term in focus. Performance measures include both broad economic indicators (such as Gross Domestic Product) and more direct measures of the department's activities (such as client satisfaction), which provide information on progress toward accomplishing goals.

Economic Development's three Core Businesses are:

1) Strategic Economic Leadership and Business Intelligence
2) Industry and Regional Development, Trade Promotion and Investment Attraction
3) Tourism Marketing and Development

Core Business One: Strategic Economic Leadership and Business Intelligence

Economic Development provides strategic policy, planning and intelligence input to identify, assess, and provide options to address constraints to, and opportunities for, economic sustainability. Working with other government departments and agencies, such as AEDA, the Department coordinates and develops policy options, strategies and frameworks to facilitate the development of a stable, diversified, and competitive economy, including working with partner ministries on tax and royalty issues. Economic Development also strategically maps out and identifies market opportunities and sectors that make the greatest difference to Alberta's current and future economic performance.

GOAL ONE

Facilitate economic growth and diversification through collaborative strategic planning and policy development

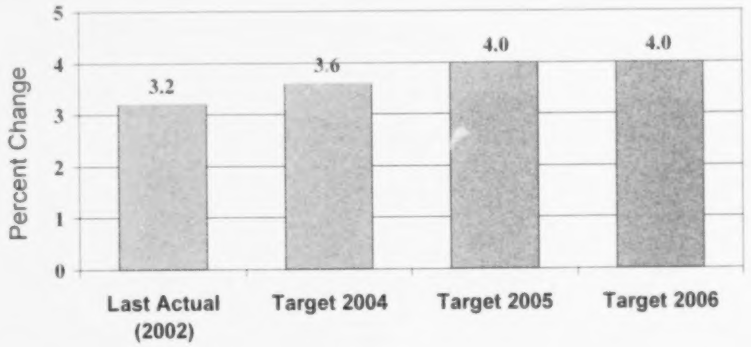
What it means Economic Development monitors trends and issues that impact Alberta government policy and programs and sets a long-term strategic direction for Alberta's economic development by focusing government's overall efforts at maintaining and enhancing the Alberta Advantage.

Strategies

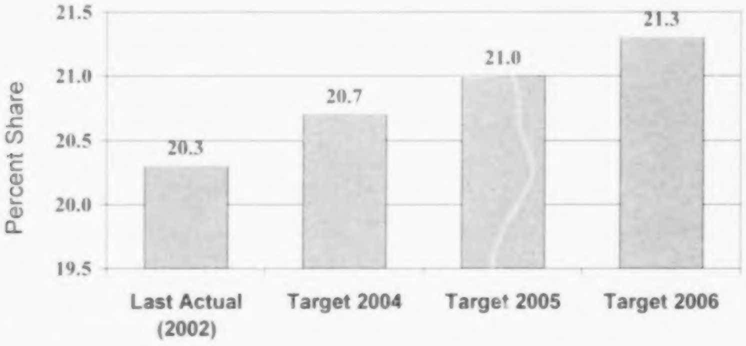
- Lead the implementation of the *Economic Development Strategy* Cross-Ministry Initiative and participate in other cross-ministry initiatives that influence the province's prosperity.
- Lead the implementation of *Securing Tomorrow's Prosperity* with other participating ministries to support the development of competitive value-added goods and services industries.
- Provide longer-term strategic input to the development of policy to support a sustainable and diversified economy in Alberta.
- Collaborate with AEDA to set out the key directions where targeted actions and strategies can produce the best return for Albertans.
- Provide the skills, processes, and technology to enhance the collection of information, creation of intelligence, management and sharing of knowledge within the Ministry, and to support strategic consultation with our clients.

Performance Measures

1. Percent Change in Gross Domestic Product - The constant-dollar GDP for Alberta (1997 dollars)



2. Share of GDP in Manufacturing and Business and Commercial Services (constant-dollars)



GOAL TWO

Provide client-driven economic and business information and intelligence

What it means The Department is continually working to strengthen its strategic intelligence gathering and dissemination processes and capabilities to deliver timely and relevant information and intelligence to our clients.

Strategies

- Utilize Economic Development's network of international and regional offices, and business contacts, to provide business and economic information in a timely fashion to support our clients in their decision-making processes.
- Utilize Economic Development's Internet website, www.alberta-canada.com, in the dissemination of business information and intelligence.
- Utilize and expand the use of Economic Development's Electronic Business Intelligence Service in the dissemination of business intelligence and information to the Department's clients.
- Provide information and services that assist the development of small Alberta businesses through innovative means such as The Business Link and the Calgary Business Information Centre.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
3. Number of visits to the Web site www.alberta-canada.com	424,748	480,000	500,000	520,000
4. Percent of subscribers satisfied with Economic Development publications (biennial survey)	96	95	n/a	95

Core Business Two: Industry and Regional Development, Trade Promotion and Investment Attraction

Economic Development works with Alberta business clients to identify market opportunities for expansion, trade and industry development. The Department markets Alberta as an attractive destination for investment, film production, locating businesses, and attracting skilled workers in targeted sectors. The Ministry provides information to companies and individuals and assists them with services designed to attract them to the province.

Economic Development is also responsible for planning, organizing and coordinating Team Canada, Premier and Ministerial trade missions. The Ministry works closely with AEDA in identifying priority markets for future business missions.

GOAL THREE

Increase the growth and competitiveness of Alberta's value-added sectors

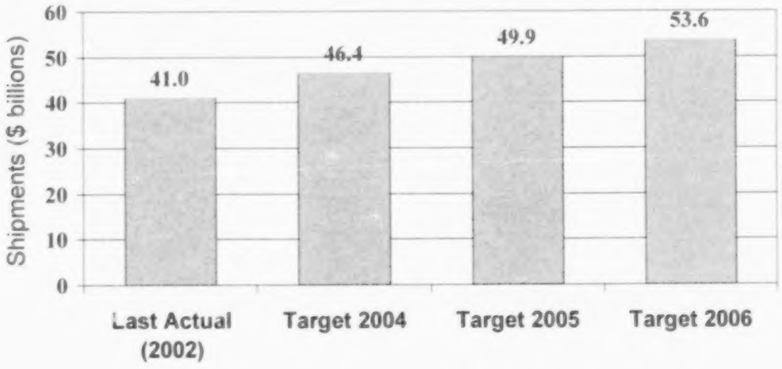
What it means The Department works to make Alberta globally competitive in priority sectors by promoting measures and initiatives to improve company innovation and productivity.

Strategies

- Facilitate industry growth and build market presence in Alberta's priority sectors through Economic Development's sector teams.
- Facilitate and encourage the development, acquisition and application of business improvement practices through:
  - Facilitating industry's access to technology commercialization and adoption programs, and
  - Assisting Alberta companies to match capabilities to market opportunities.
- Promote and facilitate partnerships, networks and alliances to expand capabilities and improve competitiveness.
- Support effective distribution of products and services to domestic and international markets through facilitating and sponsoring logistical and feasibility studies on cargo routes and facilities.
- Undertake initiatives to support industry innovation and productivity.

Performance Measure

5. Manufacturing Shipments - Total annual value of all manufacturing shipments by Alberta companies to other provinces, countries and within Alberta



GOAL FOUR

Increase exports of Alberta value-added goods and services

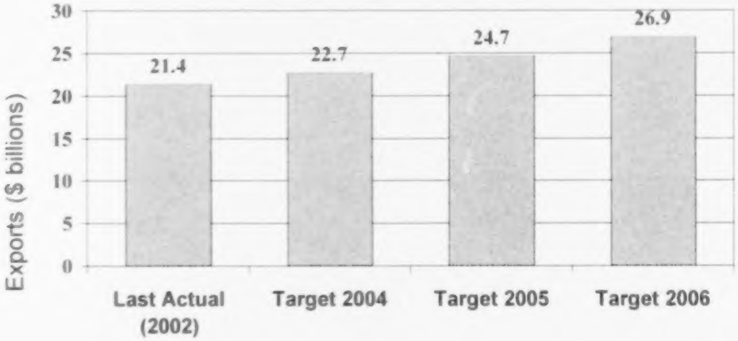
What it means The Department facilitates exports in manufactured products and professional, scientific, and technical services to target markets.

Strategies

- Provide strategic and competitive intelligence, market information, and knowledge to support companies in identifying and accessing market opportunities within global target markets.
- Encourage the development of capabilities, products, and services of export-ready Alberta businesses in international markets.
- Support market entry for Alberta exporters by showcasing Alberta abroad.
- Support Alberta companies pursuing capital projects financed by International Financial Institutions.
- Collaborate and partner with appropriate government agencies (federal, provincial and municipal) to effectively leverage ministry resources in assisting Alberta companies to increase their export trade capabilities.
- Reinforce market presence in industries where Alberta is internationally established, such as oil and gas and agri-food products, and enable market penetration of closely related sectors, such as engineering services or environmental goods and services.

Performance Measures

6. Manufacturing and Service Exports - The value of Alberta's international exports of manufactured goods and services



	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
7. Percent satisfied with support provided to outgoing trade shows and missions	n/a	90	90	90
8. Percent of client satisfaction with the services of international offices (biennial survey)	92.5	92.5	n/a	92.5

GOAL FIVE 5

Increase the awareness of Alberta to potential investors in our primary international markets

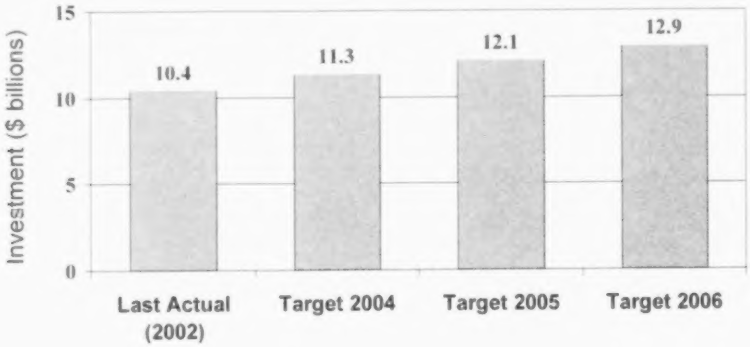
What it means The Department markets Alberta as an attractive destination for investment to targeted companies, capital investors, and economic immigrants (skilled workers and business entrepreneurs).

Strategies

- Market Alberta as a preferred location for new and expanded investment, such as multi-national enterprises with existing investment in Alberta, and companies with no existing investment in Alberta.
- Generate and service investment leads within targeted sectors and markets. Facilitate linkages between Alberta communities and investment leads.
- Increase the number of skilled workers through the Provincial Nominee Program and market Alberta as a destination for economic immigrants (skilled workers and business immigrants).
- Target and attract international decision makers to Alberta to source investment and trade opportunities with Alberta companies.
- Collaborate and partner with government agencies to effectively leverage ministry resources in assisting Alberta companies to source international investment and trade opportunities.
- Market and promote Alberta as an attractive location for film production and investment.

Performance Measure

9. Manufacturing and Service Industry Investment - The value of new capital expenditures on construction, machinery, and equipment in Alberta's manufacturing and service industries



GOAL SIX

Provide regional economic development support to Alberta communities

What it means Economic Development supports goal four of the *Rural Development Strategy* to ensure that rural Albertans contribute to and benefit from a diverse, sustainable and prosperous economy. The Ministry also contributes to the work of Regional Economic Development Alliances across Alberta.

Strategies

- Facilitate the Regional Economic Development Alliances, strengthen existing regional alliances throughout Alberta, and provide information and advice to other regional partnerships and project-specific initiatives in the major metropolitan regions.
- Strengthen community economic development capacity within Alberta through partnerships with the Economic Development Association of Alberta, Alberta First.com, and others.
- Encourage participation of Aboriginal communities in Regional Economic Development Alliances.
- Provide support for the Metis Nation of Alberta Association to implement their annual Economic Development and Tourism Workplan.

Performance Measures	Last Actual (2003)	Target 2004	Target 2005	Target 2006
10. Number of Alberta communities participating in regional economic alliances and partnerships	238	250	260	270
	Last Actual (2003-04)	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
11. Percent satisfied with Economic Development staff support to regional alliances	85	86	87	88

Core Business Three: Tourism Marketing and Development

The Department facilitates the development of the tourism industry and marketable tourism product by undertaking research, representing tourism industry interests in policy and planning initiatives and providing information to industry that helps to position new tourism products in Alberta.

Tourism marketing is delivered through the Strategic Tourism Marketing Council's three-year plan and the Travel Alberta Secretariat.

GOAL SEVEN

Facilitate the growth and expansion of marketable tourism product

What it means The Department facilitates the development of tourism products and the tourism industry.

Strategies

- Encourage a policy, regulatory and development approval framework that supports the growth of the tourism industry.
- In cooperation with Community Development, identify a wider range of uses within Provincial Parks/Recreation Areas to include certain types of tourism business opportunities compatible with the size and management intent of the land parcel and adjacent areas.

- Provide advisory services, expertise and information to existing tourism operators, start-up proponents and stakeholders to facilitate the development and improvement of Alberta's private and public sector tourism products and assets.
- Support the expansion of the tourism industry through development of new and enhanced destinations and products (including Canadian Badlands and development on Crown lands).

Performance Measure	**Last Actual (2002-03)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
12. Percent of clients satisfied with services related to tourism development (under development)	New	To be determined		

GOAL EIGHT

Increase tourism visitation from targeted Canadian and international tourism markets

What it means The Department, through Travel Alberta, develops and implements marketing programs that heighten awareness of Alberta as an attractive destination for tourism.

Strategies

- Develop and partner marketing programs in Alberta, domestically and internationally, through Travel Alberta that support the Strategic Tourism Marketing Plan developed by the Strategic Tourism Marketing Council.
- Deliver value-added support services to the tourism industry through:
  - Dissemination of tourism information;
  - Travel counseling and influencing travel behavior;
  - Training and product knowledge support for contact centre and visitor information centre staff;
  - Providing tourism research and images;
  - Maintaining and enhancing an effective, customer-focused Alberta tourism website, and
  - Supporting the development of publications and website content.

Performance Measures	**Last Actual (2002)**	**Target 2004**	**Target 2005**	**Target 2006**
13. Total tourism revenue ($ billions)[1]	5.4[2]	5.3	5.7	5.9
14. Tourism Industry Leveraging - Industry partners' contribution to product marketing with Travel Alberta				
• In-Province Leveraging Ratio	1.7:1	1.7:1	1.7:1	1.7:1
• National/ International Leveraging Ratio[3]	4.1:1	2.7:1	2.7:1	2.7:1

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[1] The annual value of all tourism industry revenues in Alberta. This includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces, and residents of Alberta.

[2] Due to a change in methodology implemented by Statistics Canada in the 2002 Canadian Travel Survey, it was determined that domestic spending had been significantly under-reported prior to 2002, resulting in a robust upward revision in total tourism revenue in 2002. Consequently, estimates and targets for the period 2003-06 are based on the total of $5.4 billion in 2002.

[3] The higher leverage ratio in 2002 is due to increased partner participation and contribution in response to various global situations including terrorist activities, SARS, and economic downturn in many of our primary markets.

Performance Measures (continued)	Last Actual (2002)	Target 2004	Target 2005	Target 2006
15. Dissemination of Tourism Information - Volume of information requests by telephone, facsimile, mail, e-mail, and website inquiries.				
• contact centre telephone enquiries handled	74,004	60,000	65,000	65,000
• other methods of contact	64,644	85,000	90,000	95,000
• Number of visitors to www.travelalberta.com	880,895	1,500,000	1,500,000	1,500,000
16. Number of tourism information packages distributed	91,699	105,000	115,000	120,000
17. Percent of clients satisfied with Visitor Information Centres overall	98	98	98	98

CORPORATE SERVICES

The Ministry's core businesses are enabled by an infrastructure of essential services that support department staff and business processes. Corporate services include strategic intelligence and knowledge management, strategic planning, information management, information technology, finance, human resources, communications, and administrative services. Some activities that will be undertaken include:

- Provide the skills, processes and technology to enhance the compilation of information, creation of intelligence, management and sharing of knowledge within the Ministry, and to support strategic consultation with our clients.
- Provide reliable, secure information technology service to meet the business needs of the Ministry, including the international offices, and during employee travel;
- Provide comprehensive human resource programs and affect cultural changes to ensure the availability of people with the skills the Ministry requires to achieve current and future organizational and business plan goals;
- Implement the Ministry's performance measurement framework;
- Maintain, update and exercise a business resumption plan to ensure timely continuation of essential ministry business activities and functions in the event of a major disruption affecting ministry operations;
- Ensure that the implementation of the Ministry's information technology is aligned with government-wide standards and architectural direction, and
- Provide accurate and timely financial information to meet the needs of the Ministry and reporting requirements of legislation, as well as ensuring proper controls are in place to safeguard the Ministry's assets.

SECTOR TEAMS

Sector teams were developed to focus on opportunities for sector growth and development and to resolve issues within the sector that fall within the economic development mandate. Sector teams provide advice to the Department and partner ministries, into the dynamics of the sector and outline the role that government can play in stimulating growth and developing policy. Sector teams champion key initiatives to facilitate trade and export development, investment attraction and industry competitiveness.

Key Partners may include industry associations, private sector firms, other sector teams, other Alberta government ministries, federal government departments/agencies, and/or regional alliances.

SECTOR TEAM	MANDATE/OBJECTIVE
Architecture/Engineering/ Construction (AEC)	Partner with AEC industry and related associations to help develop, diversify and organize the sector to successfully compete globally, create wealth and sustain their key position in the Alberta economy, minimize impediments to growth and maximize the spin-off economic benefits to other sectors from AEC industry activities.
Aerospace and Aviation	Sustain and grow existing capacities of Alberta's aerospace and defense industry, and nurture new aerospace capabilities by facilitating the growth of niche sectors such as Remote Vehicle Technology.
Agri-food	To increase trade and investment of Alberta agriculture and value-added agri-food products, diversify the products and markets, and provide strategic market intelligence to the industry.
Building Products	To help Alberta companies grow and become globally competitive through attracting investment and increasing local capabilities.
Petrochemicals	Secure funding for investment in upgraders, refineries, petrochemical plants, electricity and small/niche manufacturing.
Environmental Products and Service	To increase exports and enhance the competitiveness of Alberta's environmental industry through strategic intelligence and collaborative promotional initiatives. To explore the use of technology to further advance the growth and development potential of Alberta's environmental industry.
Health and Bio-Industries (HABIT)	In cooperation with industry and other stakeholders, HABIT will provide advice, support and services to Health and Bio Industries in Alberta to assess and enhance sector capabilities and competitiveness and increase domestic and international market penetration.
Information and Communications Technologies (ICT)	To advance the growth and international competitiveness of Alberta's ICT sector with a key objective: to establish Alberta as a global leader in specialized wireless applications, products and services.
Industrial Machinery and Equipment	To foster the development of world class, competitive skills and capabilities in the oil and gas sector.
Tourism	Increase tourism visitation and spending through: enhancing existing tourism products; creating new products and destinations, and providing tourism product and market information to decision makers.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Strategic Economic Leadership and Business Intelligence	7,341	7,226	7,187	7,271	7,271	7,271
Industry and Regional Development, Trade Promotion and Investment Attraction	22,849	23,655	27,309	24,112	24,112	24,112
Tourism Marketing and Development	25,043	24,053	23,923	26,126	26,126	26,126
MINISTRY EXPENSE	55,233	54,934	58,419	57,509	57,509	57,509

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	14,100	14,100	14,100	14,100	14,100	14,100
Transfers from Government of Canada	22	-	-	-	-	-
Other Revenue	211	150	50	100	100	100
MINISTRY REVENUE	14,333	14,250	14,150	14,200	14,200	14,200
EXPENSE						
Program						
Ministry Support Services	4,010	4,357	4,342	4,263	4,263	4,263
Industry and Regional Development, Trade and Investment	21,094	21,779	25,279	22,325	22,325	22,325
Tourism Marketing and Development	23,120	22,145	22,145	24,189	24,189	24,189
Strategic Economic Leadership and Business Intelligence	6,777	6,653	6,653	6,732	6,732	6,732
Valuation Adjustments and Other Provisions	232	-	-	-	-	-
MINISTRY EXPENSE	55,233	54,934	58,419	57,509	57,509	57,509
Gain (Loss) on Disposal and Write Down of Capital Assets	(26)	-	-	-	-	-
NET OPERATING RESULT	(40,926)	(40,684)	(44,269)	(43,309)	(43,309)	(43,309)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	14,333	14,250	14,150	14,200	14,200	14,200
Inter-ministry consolidation adjustments	(14,100)	(14,100)	(14,100)	(14,100)	(14,100)	(14,100)
Consolidated Revenue	233	150	50	100	100	100
Ministry Program Expense	55,233	54,934	58,419	57,509	57,509	57,509
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**55,233**	**54,934**	**58,419**	**57,509**	**57,509**	**57,509**
Gain (Loss) on Disposal and Write Down of Capital Assets	(26)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(55,026)	(54,784)	(58,369)	(57,409)	(57,409)	(57,409)

Energy

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Murray Smith, *Minister of Energy*
March 5, 2004

THE MINISTRY

The Ministry of Energy works for the present and future benefit of the owners of our energy resources -- the people of Alberta. Albertans own their oil, natural gas and mineral resources. The Ministry manages the development and conservation of these resources in a responsible manner and in the public interest, within a framework of sustainable development that maximizes investment in resource development and benefits for Albertans.

The Ministry of Energy consists of the Department of Energy, the Alberta Petroleum Marketing Commission (APMC), and the Energy and Utilities Board (EUB). The Department is primarily responsible for matters related to resource development and the assessment and collection of non-renewable resource revenues. The APMC accepts delivery of the Crown's royalty share of crude oil and sells it at current market value. The Department and the APMC's operations are integrated and fully funded by the Crown. The EUB (the

Board) is an independent, quasi-judicial agency of the Government of Alberta with responsibility to regulate Alberta's energy resource and utility sectors. While the Board reports to the Alberta Minister of Energy, it makes its formal decisions independently in accordance with the statutes contained in various Acts and Regulations. The Board's operations are jointly funded by the Crown (37%) and by industry (63%).

LINK TO THE GOVERNMENT BUSINESS PLAN

The Government of Alberta's new strategic plan *Today's Opportunities, Tomorrow's Promise: A Strategic Plan for the Government of Alberta* recognizes the long term importance of sustaining energy development in the province and outlines some of the key challenges for energy development over the next 20 years, including future oil sands development, development of our natural gas in coal (coalbed methane) resources, future CO_2 management, land access for resource development, and expansion of Alberta's value added petrochemical refining capacity. The Ministry of Energy 2004-07 Business Plan includes a number of strategies aimed at addressing these key issues.

The Ministry of Energy contributes significantly to the Alberta government's three core businesses of People, Prosperity and Preservation:

People - The Department is a significant generator of provincial revenues, which support the provision of Alberta's publicly funded programs and services. Over the past 20 years, annual non-renewable resource revenues have averaged approximately $3.5 billion, with annual non-renewable resource revenues contributing between 14% and 42% of total government revenues. Global and North American price volatility and production levels are primary factors affecting revenues.

Prosperity - The energy industry is a cornerstone of Alberta's economy and a major contributor to the current and future prosperity of Albertans. The Ministry maintains a competitive fiscal and regulatory regime to encourage continued investment in Alberta's energy resources. Oil and gas industry investment reached near record levels in 2002, with $11.7 billion invested in conventional oil and gas development and $6.7 billion dollars invested in oil sands development. Investment is a key driver of job creation, business opportunities and overall prosperity for Albertans. In 2002, there were approximately 90,000 people directly employed in Alberta's upstream oil, gas and mining industries. In 2002, international energy exports, valued at $30.5 billion, accounted for 62% of the value of all Alberta international exports.

Preservation - The Ministry works within the government's framework of sustainable development to ensure that access to, development and production of energy resources occurs in a responsible manner that protects the environment and public safety. The Ministry maintains a fair and responsible regulatory framework for the energy and utility sectors that is based on the public interest of all Albertans.

The Ministry links to the following Government Business Plan goals: prosperous economy (Goal 7), financially stable government (Goal 8), and to sustaining the high quality of Alberta's environment (Goal 10).

DEPARTMENT OF ENERGY

The Department has responsibility for a diverse resource development portfolio that includes natural gas, conventional oil, oil sands, petrochemicals, electricity, coal and minerals. To effectively manage the development of these commodities, the Department has organized itself along commodity business lines. This structure builds knowledge and strengthens communication between Department business areas, and Alberta's resource industries. Importantly, this structure also allows for the direct allocation of resources and fiscal accountability by each business line, and the direct linkage of department spending with revenues generated by each of the business lines.

VISION

Alberta's competitive environment attracts investment in its energy and mineral resources for the benefit of present and future Albertans.

MISSION

Optimize the sustained contribution from Alberta's energy and mineral resources in the interests of Albertans.

CORE BUSINESSES

Core Business 1: Securing Benefits for Albertans - Secure Albertans' share and benefits from energy and mineral resource development.

Goal 1 - Optimize Albertans' resource revenue share and benefits from the development of their energy and mineral resources over the long term.

Core Business 2: Resource Development - Ensure Alberta's energy and mineral resources remain competitive and attractive to investment and development.

Goal 2 - Maintain the competitiveness of Alberta's energy and mineral resources.

Goal 3 - Secure future energy supply and benefits for Albertans, within a growing and competitive global energy marketplace.

Core Business 3: Awareness and Understanding - Inform Albertans about energy and mineral resource development and related policies, and the significance of these resources to Alberta's economy.

Goal 4 - Increase public awareness about Alberta's energy and mineral sectors.

Core Business 4: Energy for Albertans - Ensure Alberta consumers have a choice of reliable and competitively priced energy.

Goal 5 - Establish a competitive market framework that provides Albertans with competitively priced and reliable electricity and natural gas.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Oil and natural gas price volatility affects industry production and investment and, in turn, government revenues. Price volatility seems to be increasing and time frames of cyclical changes seem to be shortening. Natural gas revenues, which have recently constituted up to 70% of total energy resource revenues, are expected to decline over the next decade as production declines. To counter these declines Alberta will need to increase production from non-conventional energy sources, such as oil sands and natural gas in coal (coalbed methane), while striving to maximize production from remaining conventional sources. Alberta's coal resources represent huge untapped potential, offering opportunities for future electricity generation through the use of clean burning technologies, or as a source of natural gas (coalbed methane). Additional research and development of new technologies will be essential to extend Alberta's energy production capacity. The long-term potential of Alberta's energy resources will need to be considered in setting research priorities, as decisions taken today set in motion change for the medium and long term future. Royalty regimes will need to be reviewed to ensure they continue to secure an appropriate share for Albertans while continuing to attract new investment. Pressure to develop both existing and new energy resources will result in an increased need to resolve conflicts with other land uses.

Increased consultation with Aboriginal peoples aimed at resolving issues will be needed to maintain industry access. Proposed levels of oil sands development will need to address cumulative environmental effects, water availability, infrastructure needs, access to markets, and may strain current regulatory and approval processes. Similarly, natural gas in coal and the future possible discovery of a developable diamond deposit in Alberta, may require new royalty schemes, development methods and approval processes to address potential public concerns. Alberta will continue to develop and implement its action plan on climate change, while ensuring that the Kyoto-related actions of the federal government do not interfere in Alberta's resource ownership responsibilities and economic development.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Royalty Review **Linkage: Goal 1**	The Department reviews its royalty systems to ensure they remain competitive and that Albertans continue to receive a fair share of the maximized value of commodities. It is government practice to promote fiscal regime stability so that changes are made only when necessary and only when in the interest of Albertans. Our current focus is to review the existing oil sands regime and to examine whether existing regimes are appropriate for natural gas in coal (coalbed methane).
2. Gas in Association with Bitumen **Linkage: Goal 3**	The Department of Energy is working with the oil and gas industry and leaseholders affected by conservation decisions related to natural gas in association with bitumen in the Athabasca area of the province. This is a unique situation and the Department is seeking fair and equitable solutions to the issues raised by these decisions, as well as technical solutions that would allow for economic and expedient production of both resources.
3. Electricity and Natural Gas Retail Markets **Linkage: Goal 5**	Government is committed to a market framework that provides security of supply and reliability for the benefit of consumers. The Department will continue to assess the functioning of the natural gas and electricity markets to encourage competitive market conditions that benefit Albertans. An important component of competitive markets is efficient and adequate transportation systems to bring products to consumers. The Department will review and monitor the transmission and distribution systems for electricity and propose public policy as needed, to ensure those transportation systems deliver efficient and reliable service in the interest of consumers.
4. Implementing an Improved Resource Development Regulatory Framework **Linkage: Goal 2**	A cross-ministry review of the environment, energy and resource regulatory framework used by the Government of Alberta to develop and manage Alberta's natural resources is underway. Revisions to Alberta's regulatory approval framework will be aimed at collaborative direction setting and management, improving delivery of regulations, and reducing costs of regulatory requirements for all parties over time, while maintaining Alberta's high environmental standards and improving Alberta's business climate. The current review includes regulatory and administration processes delivered by the Department, the Energy and Utilities Board, and the Ministries of Environment and Sustainable Resource Development.

5. Land Access and Aboriginal Relations

Linkage: Goals 2 and 3

The Western Sedimentary Basin (WSB) is becoming a mature basin for conventional oil and gas. As a result, pool sizes are becoming smaller and harder to find. To sustain future production from these sources we need to ensure surface access levels throughout the province are maintained or increased and encourage exploration and development in areas which, to date, have seen limited development (e.g., front ranges). We also need to secure and enhance access to support development of new alternative sources such as natural gas from coal (coalbed methane).

Ensuring right of access of resource developers to oil, gas and mineral leases located on First Nation "traditional use" lands will continue to be a priority of the Department. The Department will continue to focus on consultations and fostering capacity building in Aboriginal communities to ensure they are able to participate in, and benefit from, energy resource development.

6. Climate Change Action Plan

Linkage: Goal 2

Implementation of the Kyoto Protocol by the Federal Government for the first Kyoto commitment period - 2008-2012 - and negotiations for subsequent Kyoto commitment periods will continue to be a focus and concern for the department. Alberta will continue to develop and implement its action plan on climate change. As part of this plan, the Department will focus its activity on carbon management initiatives and the development of the energy related sector agreements.

PERFORMANCE MEASURES

The Department's business plan focuses on outcome measures. This is consistent with government's direction of shifting from measuring the activities of government, to measuring outcomes or effects related to its activities. Department outcomes are the desired collective effect of our actions, processes, programs and outputs on the Alberta public - the owners of Alberta's resources - and the energy and mineral industries who develop the resources on their behalf. The Department's performance measures track our progress towards achieving these outcomes.

While the Department does not directly control outcomes, it does attempt to achieve desired results through the actions and outputs of its various programs. External factors outside the Department's influence, such as market prices for commodities, will affect the Department's ability to achieve some outcomes.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

The following goals, strategies and performance measures have been established for each of the Department's core businesses.

Core Business One: Securing Benefits for Albertans

GOAL ONE

Optimize Albertans' resource revenue share and benefits from the development of their energy and mineral resources over the long term.

What it means Albertans receive their share of energy and mineral resource development through royalties, freehold mineral taxes, rentals and bonuses paid by industry and collected by the Department. Over the past 20 years, non-renewable resource revenues have averaged approximately $3.5 billion per year, and have made up between 14% and 42% of total annual government revenues. Alberta's resource development system is designed to balance the need to capture a fair share of industry revenues from the development of provincial resources, while ensuring industry retains sufficient revenues to continue to invest in future development of these resources. Albertans benefit from this investment through sustainable resource revenue used to finance critical public programs, through employment and business opportunities created, and through provincial and local taxes collected from the industry.

Strategies

- Regularly review Alberta's royalty regime, with a current focus on oil sands and the applicability of existing natural gas regimes to non-conventional gas.
- Work with leaseholders affected by conservation decisions related to natural gas in association with bitumen in the Athabasca area of the province to find fair and equitable solutions to the unique issues raised by these decisions.
- Directly develop, manage and support, in-house, those department information management systems that are critical to ensuring that Albertans continue to receive their share of resource revenues.

Performance Measures

Sharing the Profits from Resource Development - *Target: 20% to 25% of industry's annual net operating revenue.*

For oil and natural gas, an indicator of the balance described above is the portion of industry's annual net operating revenue that is paid to the Crown as royalty.

	Last Actual (2002)	Target 2004	Target 2005	Target 2006
Crown Revenue Share (Three year moving average - calendar year)	23%	20-25%	20-25%	20-25%

Source: The Canadian Association of Petroleum Producers Statistical Handbook for Canada's Upstream Petroleum Industry has replaced Ross Smith Energy Group's economic model as the data source for this measure.

Crown Revenue Assurance - *Target: To ensure the completeness and accuracy of Albertans' resource revenues - audit adjustments to be less than 2.0%.*

The Department audits Crown resource revenues and allowable costs to ensure these are complete, accurate and fairly valued. This performance measure expresses the annual total dollar value of audit adjustments as a percentage of reported Department resource revenues from royalties and Freehold Mineral Tax. It is a measure of industry's understanding of, and compliance with, the Department's resource revenue regime.

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Audit Adjustments as a Percentage of Department Resource Revenues (Three-year moving average)	1.9%	Less than 2%	Less than 2%	Less than 2%

Source: Compliance and Assurance, Department of Energy

Notes: Resource revenues are based on the fiscal revenues as reported in the externally audited Annual Report. Audit adjustments are accumulated on the basis of completed audits in the current year. These audits consist of prior year's filings subject to the limitations of the *Mines and Minerals Act.*

Core Business Two: Resource Development

GOAL TWO

Maintain the competitiveness of Alberta's energy and mineral resources.

What it means Alberta needs to maintain competitive fiscal and regulatory regimes that attract industry investment. Predictability, certainty, stability and a well-developed infrastructure are all features that make Alberta's resource development system a strong competitor for industry investment. Over the period 1997 to 2002, upstream oil and gas industry investment (including oil sands) averaged approximately $15 billion per year. Investment increased dramatically in recent years as high commodity prices, combined with Alberta's favourable investment climate, led to increased levels of exploration, drilling and development. The Department assesses the current and future state of Alberta's resource commodities, identifies development opportunities, and encourages industrial integration and maximization of in province value-added resource upgrading.

Strategies

- Advocate nationally and internationally for Alberta's interests and rights to develop and manage energy and mineral resources, including related emissions.
- Position and market Alberta as the 'hub' for transporting northern gas to markets.
- Develop a strategy for the long-term development of the oil sands.
- Collaboratively work with the Ministries of Environment and Sustainable Resource Development, and the Energy and Utilities Board to provide effective integrated direction setting and management policy direction and to implement streamlined regulatory processes for resource development.
- Enhance in province value-added resource upgrading through development of integrated industrial complexes, and new petrochemical feedstock supplies through integration with oil sands upgrading and processing.
- Advocate for optimal tolls, tariffs and access to pipelines and wires that transport Alberta energy resources to North American markets.
- Work with Aboriginal communities, resource developers, stakeholders and other levels of government to implement the Aboriginal Policy Framework, conduct Crown consultation with First Nations and create opportunities for Aboriginal people to participate equitably in the resource economy of Alberta.
- Work with industry and other departments to implement the Mineral Development Strategy.
- Work with other departments, the Energy and Utilities Board and the Natural Resources Conservation Board to draft a single integrated regulation that incorporates mining, safety and some approvals for non-energy minerals.
- Work with the Ministry of Environment and industry to implement Alberta's action plan for climate change and participate in the development of agreements for the energy sector.

Performance Measure

Resource Development - *Target: Annual industry investment in the upstream oil and gas industry will be equal to or greater than $15 billion.*

Continued investment in Alberta's energy sector demonstrates the competitiveness and attractiveness of resource development in Alberta.

	Last Actual (2002)	Target 2004	Target 2005	Target 2006
Upstream industry investment	$18.5 billion	Equal to or greater than $15 billion	Equal to or greater than $15 billion	Equal to or greater than $15 billion

Source: Canadian Association of Petroleum Producers.

* Upstream investment includes expenditures made during the exploration and development of the resource. These costs include geological and geophysical, land, drilling, field equipment, enhanced oil recovery, plants and miscellaneous development expenses.

GOAL THREE

Secure future energy supply and benefits for Albertans, within a growing and competitive global energy marketplace.

What it means

Alberta has long enjoyed abundant sources of conventional oil and gas. In the future, as conventional sources decline other sources of energy must be developed to ensure Alberta has a continued supply of energy. These other sources may include natural gas in coal (coalbed methane), expanded oil sands development and cogeneration of electricity, the application of clean burning technologies to coal, and the development of alternative sources of energy (wind, hydro, biomass). New technologies will also be needed to improve the rate of recovery of our existing conventional resources. Diversification of energy sources will largely be market driven and, therefore, Alberta's energy resources must remain competitive in the broader global energy market. The Department works within the province's framework of sustainable development to maintain or enhance resource exploration and development opportunities, while ensuring that development occurs in a responsible manner that protects the environment and public safety.

Strategies

- Work with other ministries to develop Alberta's natural resources in a sustainable, integrated and environmentally responsible manner through ongoing participation in broad government initiatives, such as the rural development initiative, and through Integrated Resource Management initiatives for the front range and Southern Alberta.
- Work collaboratively with other ministries to implement Water for Life: Alberta's Strategy for Sustainability, ensuring reliable quality water supplies for a sustainable economy.
- Ensure full energy and mineral resource development opportunity costs are considered in land use decisions and that land is not unnecessarily excluded from exploration and development opportunity in the process of developing Alberta's conservation objectives.
- Expand our natural gas reserves by encouraging exploration in areas that have not received sufficient evaluation to date (e.g., front range).
- Analyze economics and implement changes, where appropriate, to the fiscal and tenure regimes to encourage further development of conventional and non-conventional resources.
- Lead a cross-ministry team including Agriculture, Food and Rural Development, Finance, Energy, Environment, Sustainable Resource Development, and Innovation and Science that will consult with public, industry and other stakeholders to determine if existing regulations and policy are appropriate for the responsible development of natural gas in coal (coalbed methane).
- Provide strategic research direction to the Alberta Energy Research Institute and other research organizations. Support implementation of the Alberta Energy Research Strategy in the areas of: oil sands upgrading; clean coal technology; enhanced recovery of conventional and unconventional resources; CO_2 management; water management; and alternative energy.

- Improve recoveries of conventional oil reserves and reduce emissions through expansion of commercial CO_2 schemes, and by encouraging the development and application of technology aimed at enhanced recovery.
- Lead the establishment of processes and plans with industry and departments from the Alberta and federal governments to assure the security preparedness of Alberta's energy infrastructure.
- Implement an e-tenure process that results in the electronic handling of applications, posting requests, bidding, transfers and agreements.

Performance Measure

Energy Resource Portfolio Diversification - *Target: Diversification of energy production.*

	Baseline 2000	Last Actual (2002)	Target 2006	Outlook 2005	Outlook 2010
Oil Production (thousands of bbl/d)			Increased diversification of energy production		
Conventional	546.1	497.3		483.1*	434.1*
Extended Oil Recovery+	202.0	163.1		127.3++	88.2++
Pentanes/condensate	144.5	128.7		151.03*	138.4*
Non-conventional (oil sands)	604.7	740.3		1,132.7*	1,705.4*
Natural Gas Production (Tcf/yr)					
Conventional	5.19	5.02		4.99*	4.49*
Non-conventional (natural gas in coal/coalbed methane)	–	0.005		0.01**	0.26**
Electricity Generating Capacity (MW)++					
Coal (conventional)	5,638	5,659		5,860	Not Available
Natural Gas (conventional)	1,319	1,353		1,600	
Natural Gas (cogeneration)	1,658	2,769		3,220	
Fuel Oils	8	8		8	
Renewables (hydro, wind, biomass)	1,047	1,109		1,312	

Sources:

* Alberta's Reserves 2002, Supply and Demand Outlook 2003-2012, Alberta Energy and Utilities Board.

** National Energy Board: Canada's Energy Future Supply; Scenarios for Supply and Demand to 2025; Supply Push Scenario.

+ Includes all department programs aimed at extending the productive life of mature conventional oil fields

++ Alberta Department of Energy estimates.

Core Business Three: Awareness and Understanding

GOAL FOUR

Increase public awareness about Alberta's energy and mineral sectors.

What it means The Alberta Crown (government) owns 81 per cent of the province's mineral/energy rights. The remaining 19 per cent are owned by the federal government on behalf of First Nations or in national parks, and by individuals and companies. As resource owners, Albertans need to be aware of Alberta's supply of energy and mineral resources and the importance of these resources to Alberta's economy and society. Albertans also need to be informed about the critical importance of ongoing resource development, the need to access future resources and technological advances made by the energy industry.

Strategies

- Work with industry and the education sector to increase awareness of Alberta's energy and mineral resources, industry practices, pressures affecting access to the resource, technological advances made by the energy industry, and the importance and economic significance of the energy and mineral sectors, today and in the future.
- Inform Albertans about the critical importance of ongoing resource development and future needs and opportunities for energy and mineral resource development from conventional and non-conventional sources.
- Work with the Alberta electric industry to increase consumer understanding of Alberta's competitive electricity marketplace.

Performance Measure

Albertans' Understanding of Alberta's Energy and Mineral Resources and their Economic Significance - *Target: To increase Albertans' awareness and understanding of energy resources.*

An element has been added to this measure to track public recognition of the importance of the energy sector to Alberta's economic health. Surveying will be conducted every second year.

	Last Actual* (2003)	Target 2005	Target 2006	Target 2007
Albertans' knowledge of the role of energy and mineral resources in Alberta's economy.	37%	Increasing awareness	n/a	60% or higher
The provincial government is doing a good or very good job of providing Albertans with energy information.	60%	Increasing awareness	n/a	70% or higher
Albertans' who recognize the role of the energy sector in the province's economic health as very important.	81%	Maintain awareness	n/a	80% or higher

Source: * Banister Research & Consulting Survey.

Core Business Four: Energy for Albertans

GOAL FIVE

Establish a competitive market framework that provides Albertans with competitively priced and reliable electricity and natural gas.

What it means Alberta has restructured its electric industry to provide an efficient, competitive marketplace for electricity that encourages the development of new power generation and offers all consumers choice and reliability of supply. Retail natural gas has been open to choice since 1996 and the department continues to strengthen its provisions for retail customer choice, having recently established similar rules for the natural gas and electricity retail markets. Through the *Natural Gas Price Protection Act* and regulation, the Alberta government can also provide consumers with relief from high natural gas prices.

Strategies

- Enable and foster competitive wholesale and retail markets for electricity, and a competitive retail market for natural gas to provide Alberta consumers with choice, innovative services, reliability and competitive prices.
- Provide consumers, industry and other government agencies with clear and timely communication of changes in the natural gas and electric industries.

- Develop and implement effective legislation, policy and processes to ensure predictability and certainty to industry, and reliable supply to consumers.
- Ensure that the electric transmission and distribution systems are reliable and sufficient, and provide fair and open access.
- Work with other ministries, industry and the education sector to encourage energy conservation and the choice of a range of energy sources, including both renewable and non-renewable.

Performance Measures

New Power Generation - *Target: Alberta's net supply of electricity will increase through industry investment.*

Additional electricity supply has, and will continue to be needed to meet Alberta's growing demand.

	Last Actual (2002)	Target*** 2004	Target*** 2005	Target*** 2006
Installed Generating Capacity* (MW)	10,898	11,600	12,000	12,400
Peak Demand** (MW)	8,570	9,070	9,320	9,570
Margin (net supply) (MW)	2,328	2,530	2,680	2,830

Source: Compiled by Energy based on EUB, Independent System Operator (ISO) and industry information.
Note: Net supply of electricity will increase for 2004-07.
MW = Megawatts
* The sum of the maximum continuous ratings of all electricity generation facilities connected to the Alberta interconnected electric system, excluding the capacity of interties with British Columbia and Saskatchewan.
** Peak Demand is the highest recorded system demand in a year as recorded by the Independent System Operator (ISO).
*** Department of Energy. Numbers based on estimated average annual growth of 400MW.

Electricity Restructuring - *Target: Alberta will remain a leader in implementing a competitive marketplace for electricity.*

The RED (Retail Electricity Deregulation) Index ranked Alberta as first in Canada, fourth in North America and sixth in the world, as of April 2003, for electric industry restructuring performance.

	Last Actual (2003)	Target 2004	Target 2005	Target 2006
CAEM - Red Index Ranking of Alberta's Restructuring In North America	4	Top 10	Top 10	Top 10

Source: Center for Advancement of Energy Markets (CAEM).
Note: A total of 64 Canadian and U.S. jurisdictions were assessed in 2003.

Annual Residential Natural Gas Price - *Target: Annual average residential natural gas price for Alberta is less than the annual average national residential price.*

This measure compares the price Albertans are paying for natural gas with other jurisdictions by comparing the annual average Alberta Residential Natural Gas Price (ARGP) with the annual average National Residential Natural Gas Price (NRGP). To remain competitive, Alberta's price should not exceed the national price.

	Last Actual (2003)	Target 2004	Target 2005	Target 2006
Annual Average ARGP ($/GJ)	8.63	Annual ARGP not to exceed annual NRGP	Annual ARGP not to exceed annual NRGP	Annual ARGP not to exceed annual NRGP
Annual Average NRGP ($/GJ)	10.91			

Source: Department of Energy
Note: Numbers are quoted in $/GJ and are inclusive of gas cost recovery rates (commodity charge), variable and fixed delivery rates. Rates include various rate riders (i.e., company owned storage and production rate riders). Both rates exclude GST, PST, franchise fees, and government rebates. This measure is calculated on a calendar year basis using a simple average of monthly rates and annual consumption of 135GJ. Information for the chart was obtained from utility companies.

The ARGP is determined using an average of the delivered cost of natural gas from the major utilities to Alberta residents. The NRGP excludes Alberta and is determined using an average of the delivered cost of natural gas from utilities serving the cities of Toronto, Sarnia, Winnipeg, Regina and Vancouver.

Organizational Capacity and Effectiveness

Successful delivery of the Department's core businesses is dependent on maintaining and building a strong organization with the knowledge and capacity to respond to changing future business and economic circumstances affecting the development of Alberta's energy and mineral resources. A separate Department Organizational Capacity goal, which supports all of the Department's Core Businesses, has been established to address this requirement.

GOAL SIX

Build an organizational environment for success.

What it means The Department recognizes the challenge and importance of maintaining and building organizational capacity to respond effectively to changing business needs. Organizational capacity means having the right resources, people, processes and tools to deliver our core businesses.

Strategies

- Ensure the Department's organization, processes and budget are aligned with the strategic direction and growth of our business.
- Implement human resource and workforce planning strategies that enable us to retain, attract and develop our employees, resulting in improved staff knowledge, accountability, competencies, skill sets and health and wellness.
- Safeguard the Department's staff and physical assets through testing and maintenance of emergency response and business resumption plans.
- Ensure easier access to and secure exchange of, information required by industry and government.
- Enhance information management through the implementation of increased electronic service delivery (e-business) processes.
- Re-invest in critical department IT systems to ensure these systems are current.
- Continue to provide clear communication and consultation with industry on business rules and processes.

Performance Measure

Industry Satisfaction with Department Services and Electronic Information Management- *Target: Industry satisfaction 80% or higher.*

The Department measures industry satisfaction to identify opportunities for improvement and to keep pace with changing requirements. Surveying will be conducted every two years.

	Last Actual (2003)	Target 2005	Target 2006	Target 2007
Satisfaction with department services	84%	80% or higher	n/a	80% or higher
Satisfaction with electronic information management	93%	80% or higher	n/a	80% or higher

Source: Environics West surveys.
Note: In 2000, a Citizens First survey was conducted by Erin Research Inc. to measure satisfaction with Canadian public and private sector services. The average general rating was 51% for public sector services and 63% for private sector services.

ALBERTA ENERGY AND UTILITIES BOARD

The Alberta Energy and Utilities Board (EUB) is an independent, quasi-judicial agency of the Government of Alberta with responsibility to regulate Alberta's energy resources and utility sectors. Although the EUB (the Board) is responsible to the Minister of Energy, it makes its formal decisions independently and in accordance with the various Acts and Regulations.

The Board is responsible for the policy and direct administration of the following statutes: *Alberta Energy and Utilities Board Act, Coal Conservation Act, Energy Resources Conservation Act, Hydro and Electric Energy Act, Oil and Gas Conservation Act, Oil Sands Conservation Act, Pipeline Act, Public Utilities Board Act, Turner Valley Unit Operations Act* with consequential regulations. The Board has rate regulation responsibilities under the *Electric Utilities Act* and the *Gas Utilities Act* and other legislation that specifically empowers the Board to carry out certain functions.

VISION

The EUB's vision is to have a regulatory framework that inspires public confidence.

MISSION

To ensure that the discovery, development and delivery of Alberta's energy resources and utilities services take place in a manner that is fair, responsible and in the public interest.

CORE BUSINESSES

Core Business 1: Adjudication and Regulation

Goal 1 - A fair and responsible regulatory framework for the energy and utility sectors.
Goal 2 - Industry complies with energy and utility regulatory requirements.
Goal 3 - Prompt and appropriate resolution of stakeholder conflicts and issues.

Core Business 2: Information and Knowledge

Goal 4 - Ensure accurate, comprehensive and current information is readily available to stakeholders.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Increased industry activity, rising public expectations, regulatory changes and a broadening client base present different, and additional, opportunities and challenges to the Board.

These challenges and opportunities are driven by the following changes: increasing stakeholder awareness and expectations; the restructuring of gas and electric markets; and increase in the scale and pace of the development of Alberta's oil sands resource.

Public safety and regulatory compliance continue to be priorities for the citizens of Alberta and the Board. The Board is faced with increasing stakeholder expectations and needs surrounding health, safety, environmental protection and resource conservation. As the amount of activity in the energy and utility sectors increases, the Board continues to look for ways to ensure that stakeholders are aware of, and engaged effectively in, the appropriate and relevant aspects of the Board's activities.

The Board, the Ministries of Environment and Sustainable Resource Development, and the Department of Energy are collaborating to improve the regulation of a number of resource development sectors.

STRATEGIC PRIORITIES 2004-07

The strategic priorities described below have been identified through the Board's review of external and internal challenges. These are in addition to the important ongoing core activities of the Board and focus on challenges that are considered of greatest importance.

1. Public Safety and Regulatory Compliance

Linkage: Goals 1, 2 and 3

The Board has systems in place that assure industry compliance with regulatory requirements. They ensure that the discovery, development and delivery of Alberta's energy resources and utilities services take place in a manner that is fair, responsible and in the public interest.

In addition, in January 2000, the Board formed the Advisory Committee on Public Safety and Sour Gas to examine Alberta's sour gas regulatory system, consult with Albertans on issues surrounding sour gas development, and report its findings and recommendations to the Board. The Advisory Committee concluded that Alberta has an extensive and comprehensive regulatory system in place for sour gas development, but that improvements must be made. The Board accepted the 87 recommendations of the Advisory Committee and made a commitment to address them all. The Board will continue to work with stakeholders to address the recommendations.

2. Regulation - Utilities and Energy

Linkage: Goals 1, 2 and 3

In the near term, the focus is on regulatory changes associated with restructuring of the electric and natural gas industries. In addition to dealing with emerging issues respecting areas previously regulated, the Board has assumed new responsibilities for the regulation of municipal utilities and the development of a Settlement System Code for natural gas. The Board Chair has also assumed the oversight of the MSA (Market Surveillance Administrator) function.

In order to be properly resourced to handle an increased and more complex workload, the Board will be hiring additional staff and employing consultants when additional expertise is required.

The Board is continuing to explore ways to make application procedures more streamlined and effective.

In conjunction with government departments that share responsibility to regulate resource development activities, the Board will develop a plan for an improved regulatory framework based on a streamlined consolidated approach to the delivery of regulatory processes.

3. Energy Sources - a Changing Focus

Linkage: Goals 1, 2, 3 and 4

The Board will respond to evolving oil sands industry activity in an effective and timely manner. Since 1996, $23 billion has been invested in oil sands development, $7 billion are currently under construction and a further $30 billion in investment has been announced over the next 10 years. The Board is establishing a regional office in Fort McMurray to support an expanded role in handling regulatory development, including related Aboriginal relations and environmental issues in the mineable oil sands area. The Board will continue its work on the potential risk to bitumen recovery from producing associated gas. The Board has undertaken a Bitumen Conservation Project in order to meet its conservation mandate, while considering changes to its operational policies and processes as new technology and information emerge.

The Board will also continue to be involved in emerging issues associated with the determination of reserves for, and the regulation of, coalbed methane. The Board is also participating with other government agencies in implementing a provincial water strategy. The maturity of the conventional basin (nature and extent of remaining reserves) will also be reviewed.

4. Investing in People

Linkage: Goal 5

The Board recognizes the need to attract and retain well-qualified staff in a very competitive market. Through our people, we are able to realize the vision and mission of the Board.

PERFORMANCE MEASURES

The Board utilizes a tier system of measures. The first level focuses on outcome measures. This is consistent with Government's direction of shifting from measuring the activities of government, to measuring the outcomes or effects of government's activities. Board outcomes are the desired collective effect of our actions, processes, programs and outputs on the Alberta public - the owners of most of Alberta's energy resources. The Board's performance measures track our progress towards achieving these outcomes.

While the Board does not directly control outcomes, it does attempt to achieve desired results through the actions and outputs of its various programs. External factors outside the Board's control may affect the achievement of some outcomes.

The second level of measures (supplemental measures) focuses on the Board's efficiency in meeting its responsibilities. These measures are available on the Board website at www.eub.gov.ab.ca. Examples of supplemental measures include: Application Turnaround Time for Routine Energy Facility Applications; and Progress Reports on Incorporation of Public Safety and Sour Gas recommendations.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Adjudication and Regulation

The Board adjudicates and regulates matters related to energy and utilities within Alberta to ensure that the development, transportation and monitoring of the province's energy resources are in the public interest. In addition, the Board balances the interests of consumers and utilities in establishing regulated rates and terms and conditions of service. The Board provides this assurance of the public interest through its activities in the application and hearing process, regulation, monitoring, and surveillance and enforcement.

GOAL ONE

A fair and responsible regulatory framework for the energy and utility sectors.

What it means A primary Board role is to adjudicate and regulate energy developments and utility rates in the public interest. Public interest to the Board means working for Albertans - everyone in this province, including landowners, rural and urban residents, employees and employers, plus the companies and industries the Board regulates. The Board's ongoing responsibility is to provide a stable and competent regulatory environment, resource conservation enforced by efficient production requirements, and a level playing field. The Board also ensures that industry is accountable for meeting operating requirements, for safe and efficient regulated utility services at rates that are fair and reasonable and providing a public forum for people who may be adversely affected by proposed developments and rate changes.

Strategies

- Ensure energy and utility hearings are efficient, effective and open to broad public participation.
- Review existing Board requirements for continued relevance and streamlining opportunities.
- Continue to work with Alberta government departments on gaps, overlaps and inconsistencies in respect of jurisdiction.
- Develop and implement appropriate responses to emerging issues.

Performance Measure

Timeliness of Hearing Decisions - *Target: At least 95% of decisions issued in 90 days or less from the end of the hearing.*

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percent of decisions issued in 90 days or less from the end of the hearing.	97%	95%	95%	95%

GOAL TWO

Industry complies with energy and utility regulatory requirements.

What it means The Board oversees the safe, responsible development of Alberta's energy resources and regulated utility services at rates that are fair and reasonable. As part of this process, the Board regulates over 110,000 operating oil and gas wells, over 16,500 oil batteries and associated satellites, over 700 gas plants, and about 317,000 kilometers of pipeline. As such, the public relies on the Board for public safety and environmental protection regarding energy development. The Board is also in the process of implementing standards for quality and reliability of the restructured utility services which may eventually require penalty payments for failure to meet standards.

Strategies

- Focus on high-risk operations, problem operators and areas of intense development, to address public concerns with energy activities.
- Implement mechanisms for effective monitoring of the financial and service performance of regulated utilities in a restructured industry.
- Ensure industry has effective response plans in place to appropriately respond to emergencies by developing an emergency response planning guide and updating internal processes and regulatory requirements.
- Develop a strategy with respect to the maturity of the conventional oil and gas basin.

Performance Measures

Reduction in Percentage of Regulatory Noncompliance Incidents - *Target: Maintain less than 3.5% major and serious unsatisfactory incidents of regulatory noncompliance as identified by field inspections.*

A major unsatisfactory inspection is one that finds a contravention of regulation(s) that an operator has failed to address and is thereby having, or may have, a significant impact on the public and/or environment. A serious unsatisfactory inspection is one that finds a total disregard for regulation(s) and is thereby having or may have a significant impact on the public and/or environment. The total number of inspections for 2003 is projected to be approximately 10,000.

	Last Actual (2002)	Target 2004	Target 2005	Target 2006
Percent of major and serious unsatisfactory incidents of non-compliance related to field inspection results.	3.9%	3.5%	3.5%	3.5%

Note: For 2002 and future years, information from the field will be reported on a calendar year basis.

Flaring and Venting Reduction - *Target: Reduction in solution gas flared and vented in accordance with current and future Clean Air Strategic Alliance (CASA) recommendations.*

This measure demonstrates the effectiveness of regulatory requirements and industry practices in achieving an appropriate degree of conservation of solution gas by reducing flaring and future flaring and venting thus ensuring public safety and environmental protection.

	Last Actual (2002)	Target 2004	Target 2005	Target 2006
Reduction in solution gas flared (base year 1996)	62%	Minimum 50% - under review by CASA		
Reduction in solution gas vented (base year 2000)	30%	Targets to be set - under review by CASA		

Note: Targets established by CASA are on a calendar year basis.

GOAL THREE

Prompt and appropriate resolution of stakeholder conflicts and issues.

What it means The Board strives to improve communication among the active players in Alberta's energy and utility sectors: the public, the energy and utility companies, and the government and the Board. The Appropriate Dispute Resolution (ADR) initiative provides an option for key stakeholders to promptly settle difficult disputes prior to going to a hearing. The Board is also actively involved in encouraging the development of new "synergy" groups and in supporting existing groups. Membership in these groups includes the community, the industry and government agencies such as health authorities, local disaster services and the Board. More than 50 such groups now exist in the province, pro-actively working to resolve energy development issues.

Strategies

- Ensure consumer complaints respecting utility rates and service are adequately tracked and addressed.
- Track and identify issues which need to be rectified by the Board.
- Continue to evaluate and review the process to facilitate prompt and appropriate handling of applications (Enhanced Case Management).
- Continue to address public safety and regulatory compliance concerns through continued incorporation of the recommendations of the Provincial Advisory Committee on Public Safety and Sour Gas and continued regulatory compliance and enforcement operations.
- Support movement to greater customer choice in the restructured natural gas and electricity markets.
- Participate in the cross ministry review and consultation process to examine the rules and regulations with regard to coalbed methane, also referred to as Natural Gas from Coal.

Performance Measures

Appropriate Dispute Resolution - *Target: At least 90% of participants rank the quality of service from EUB staff as satisfactory or better.*

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percent of participants that ranked the quality of service from EUB staff to be satisfactory or better.	91%	90%*	90%*	90%*

* The ADR project is in pilot phase and the estimate/target is set at 90%

Timeliness of Hearing Decisions - see Goal 1 Performance Measure.

Core Business Two: Information and Knowledge

The information and knowledge responsibility of the Board includes the collection, storage, analysis, appraisal, dissemination and stakeholder awareness of information. Open access to information develops awareness, understanding and responsible behavior and allows the Board and stakeholders to make informed decisions about energy and utility matters.

GOAL FOUR

Ensure accurate, comprehensive and current information is readily available to stakeholders.

What it means

This goal aims to ensure the availability of energy and mineral resource information to support responsible development. In 2003-04 the Board issued its report, *Alberta's Reserves 2002 and Supply/Demand Outlook 2003-2012*. This report assesses the state of reserves and supply and demand for crude oil, crude bitumen, natural gas, natural gas liquids, sulphur and coal. It also includes estimates of reserves, production volumes for 2002 and a 10-year supply and demand forecast for each resource. The Board continues baseline mapping and thematic studies in support of metallic/non-metallic minerals, diamonds, industrial minerals and aggregate (sand and gravel).

Using technology to support collaborative work with stakeholders is another business priority at the Board. By leveraging technology, we are able to streamline processes, realize more efficient information management and help ensure that we are working for Albertans in the most proficient way possible. This priority has been reflected in the launch of the Field Surveillance Inspection System and the Petroleum Registry of Alberta. As well, the Integrated Applications Program began a new phase that included reaching out to consult with stakeholders.

Strategies

- Enhance the collection and dissemination of information with stakeholders through secure electronic service delivery (e-business) processes.
- Enhance capabilities to access information using Geographic Information Systems (GIS) technology.
- Develop and maintain credible energy resource and reserve estimates, and annual supply/demand forecasts of crude bitumen, crude oil, natural gas (including coalbed methane), natural gas liquids and coal. This work will also include ultimate potential estimates for certain commodities. The reserve/supply figures will serve as indicators of basin maturity.
- Complete a mineral mapping plan of northern Alberta for stakeholders' use.
- Work with other government and non-government agencies offering programs and services aimed at youth to provide public safety awareness associated with energy development in high energy activity regions of the province.
- Inform Albertans on the key issues surrounding energy and utility development through continued open house sessions in Alberta and development of mechanisms for improving customer education on utilities.
- Continue to improve information quality through additional screening, auditing and enforcement of data submission requirements.
- Ensure Board data integrity by developing a strategy to migrate the 80+ mainframe applications into the client-server environment.

Performance Measure

Increase Stakeholder Satisfaction with EUB Information - *Target: Increase the business value of information to stakeholders.*

	Last Actual (2002-03)	Target 2004-05*	Target 2005-06*	Target 2006-07*
Stakeholder satisfaction with EUB data information and access to it.	71%	73%	74%	75%

* Since the sample size is small, the targets are set as interim until additional survey results have been assessed.

Note: In 2002-03, the first year of the survey, over 1,500 stakeholders were surveyed and 246 responded.

Organizational Capacity and Effectiveness

Successful delivery of the Board's core businesses is dependent on maintaining and building a strong organization with the knowledge and capacity to respond to changing future business and economic circumstances affecting the development of Alberta's energy, utility and mineral resources. A separate EUB Organizational Capacity goal, which supports the Board's two core businesses, has been established to address this requirement.

GOAL FIVE

Build an organizational environment for success.

What it means EUB Organizational Capacity and Effectiveness addresses the challenge and importance of maintaining and building organizational capacity to respond to changing business needs. Organizational capacity means having the right resources, people, processes and tools to deliver our two core businesses.

Strategies

- Ensure administration, management and accountability mechanisms are in place to enable the Board to effectively manage and continually improve its business.
- Support the establishment of a centralized government internal audit function.
- Implement leadership process plans, staffing, and compensation strategies that ensure a quality workforce that meets the Board needs now and into the future.
- Continue to improve services focused on information technology projects and infrastructure.

Performance Measure

Staff Retention - *Target: Maintain the percentage of voluntary turnover at a level equal to or lower than that reported by industry.*

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percent of voluntary turnover.	4.8%	At a level equal to or lower than that reported by industry		

Note: Voluntary turnover is defined as all terminations excluding downsizing, layoffs, temporary staff, casual and contract employees. Voluntary turnover reported by industry will be obtained from the Mercer Total Compensation Survey (MTCS).

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Securing Benefits for Albertans	35,704	34,969	34,969	35,627	35,627	35,627
Resource Development	19,085	28,071	28,071	28,572	29,572	29,572
Awareness and Understanding	2,136	2,515	2,515	2,551	2,551	2,551
Energy for Albertans	4,814	4,711	4,711	4,794	3,794	3,794
Adjudication and Regulation	58,860	63,967	65,821	69,154	71,044	72,304
Information and Knowledge	34,569	42,534	43,880	40,614	41,724	42,464
Orphan Well Abandonment*	8,439	8,000	17,900	10,000	10,000	10,000
MINISTRY EXPENSE	163,607	184,767	197,867	191,312	194,312	196,312

* The Alberta Oil and Gas Orphan Abandonment and Reclamation Association was delegated on March 30, 2001 the authority to administer the abandonment and reclamation of wells, facilities and pipelines which have no registered owner.

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Non-Renewable Resource Revenue						
Natural Gas and By-Products Royalty	5,125,486	3,480,000	5,355,000	3,373,000	3,058,000	2,610,000
Crude Oil Royalty	1,176,633	502,000	938,000	558,000	458,000	401,000
Synthetic Crude Oil and Bitumen Royalty	183,242	103,000	187,000	100,000	121,000	196,000
Bonuses and Sales of Crown Leases	565,550	679,000	898,000	694,000	659,000	653,000
Rentals and Fees	152,711	144,000	156,000	145,000	143,000	141,000
Coal Royalty	9,991	11,000	8,000	9,000	9,000	9,000
Alberta Royalty Tax Credit	(83,286)	(143,000)	(96,000)	(95,000)	(92,000)	(87,000)
Total Non-Renewable Resource Revenue	7,130,327	4,776,000	7,446,000	4,784,000	4,356,000	3,923,000
Freehold Mineral Rights Tax	201,556	214,000	290,000	204,000	173,000	161,000
Investment Income	1,151	1,250	1,250	1,250	1,250	1,250
Industry Levies and Licences	78,440	79,509	92,409	78,509	78,509	78,509
Other Revenue	10,352	500	500	500	500	500
MINISTRY REVENUE	7,421,826	5,071,259	7,830,159	5,068,259	4,609,259	4,164,259
EXPENSE						
Program						
Ministry Support Services	2,028	1,754	1,754	1,795	1,795	1,795
Resource Development and Management	59,127	68,477	68,477	69,714	69,714	69,714
Energy Regulation	93,429	106,501	109,701	109,768	112,768	114,768
Orphan Well Abandonment	8,439	8,000	17,900	10,000	10,000	10,000
Valuation Adjustments and Other Provisions	584	35	35	35	35	35
MINISTRY EXPENSE	163,607	184,767	197,867	191,312	194,312	196,312
Gain (Loss) on Disposal and Write Down of Capital Assets	(1,205)	-	-	-	-	-
NET OPERATING RESULT	7,257,014	4,886,492	7,632,292	4,876,947	4,414,947	3,967,947

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	7,421,826	5,071,259	7,830,159	5,068,259	4,609,259	4,164,259
Inter-ministry consolidation adjustments	(780)	-	-	-	-	-
Consolidated Revenue	7,421,046	5,071,259	7,830,159	5,068,259	4,609,259	4,164,259
Ministry Program Expense	163,607	184,767	197,867	191,312	194,312	196,312
Inter-ministry consolidation adjustments	(780)	-	-	-	-	-
Consolidated Program Expense	**162,827**	**184,767**	**197,867**	**191,312**	**194,312**	**196,312**
Gain (Loss) on Disposal and Write Down of Capital Assets	(1,205)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	7,257,014	4,886,492	7,632,292	4,876,947	4,414,947	3,967,947

Environment

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Lorne Taylor

Lorne Taylor, *Minister of Environment*
March 4, 2004

THE MINISTRY

The Ministry of Environment includes the Department of Environment and the Environmental Appeal Board. In addition, three Delegated Administrative Organizations (i.e., the Tire Recycling Management Association of Alberta, the Beverage Container Management Board and the Alberta Used Oil Management Association) report to the Minister, and operate with separate board governance and financial management.

The Ministry's authority to carry out its mandate is based on the *Environmental Protection and Enhancement Act* and the *Water Act*.

LINK TO THE GOVERNMENT STRATEGIC BUSINESS PLAN

The Government of Alberta's 2004-07 Business Plan sets out a vision of a vibrant and prosperous province where Albertans enjoy a superior quality of life, and are confident about the future for themselves and their children. A clean natural environment is identified as a key component of this vision. Safe and adequate supplies of water, clean air and land, together with healthy, vibrant communities are the foundations of a high quality of life and form the core of the Ministry of Environment's 2004-07 Business Plan.

Our three Business Plan goals and related strategies are closely aligned with the goals and commitments to Albertans in the Government's Strategic Business Plan. Our first goal, *Alberta's environment is clean and safe*, is a cornerstone of the Government of Alberta's vision. It is also a significant component of the assurance role that is described for government in its Strategic Business Plan, and supports the following Government goals – that *Albertans will be healthy* (Government Goal 1), and that *Alberta's environment will be sustained* (Government Goal 10).

Our second Business Plan goal, *Albertans receive effective and efficient services*, is consistent with the commitment in Government's Strategic Business Plan, that Albertans will receive improved services. The strategies that support this goal are focused on ensuring that the ministry is well equipped to carry out government's responsibility, as defined in the Government's Strategic Business Plan, for setting policy and monitoring outcomes to achieve desired results.

Finally, our third goal for 2004-07, *Albertans recognize the impact of their activities on the environment and are informed, encouraged and enabled to work together to safeguard it*, is focused on enabling Albertans to make environmental protection and preservation part of their business and lifestyle. This is consistent with Albertans' values of self-determination and responsibility to the community as a whole, as defined in the Government's Strategic Business Plan.

Our Ministry's emphasis on sustainable development also supports the Government's Cross-Ministry Initiatives of Health Sustainability, Economic Development, Aboriginal Policy, and Children and Youth.

VISION

Alberta's environment sustains a high quality of life

MISSION

Steward and protect Alberta's environment to sustain diverse ecosystems, healthy Albertans, strong communities and a prosperous economy.

CORE BUSINESSES

Core Business 1: Assuring Environmental Quality

Goal 1 - Alberta's environment is clean and safe

Goal 2 - Albertans receive effective and efficient services

Core Business 2: Sharing Environmental Management and Stewardship

Goal 3 - Albertans recognize the impact of their activities on the environment and are informed, encouraged and enabled to work together to safeguard it

VALUED BEHAVIOURS

The Ministry's values are reflected in our corporate and individual behaviors and define how we treat our stakeholders, clients, partners, the public and each other.

1. **Respect** - We trust each other, respect the opinions of others and are respected by others.
2. **Knowledge** - We value informed decision-making based on clear problem definition, appropriate context and shared information and analysis.
3. **Continuous Learning** - We acquire new skills that increase our capacity for improvement and innovation, and our ability to achieve corporate and personal goals.
4. **Shared Responsibility** - We work collaboratively with others to achieve environmental goals.
5. **Integrity** - We follow through on our commitments, providing reliable and ethical service.
6. **Leadership** - We model the way forward while encouraging and enabling others to be leaders.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

CHANGING AND CHALLENGING TIMES

Albertans value their environment for the ecological, economic, recreational and social benefits it provides. They expect a safe and sufficient supply of water, the air to be clean, and the land to be productive. They also expect our environment to be managed and protected as a legacy for future generations.

In Alberta, we are facing increasingly complex environmental challenges. We are beginning to experience water shortages, and competing demands for the use of water and land, fuelled by strong growth in our economy and population. The human "footprint" and the cumulative impact on our water, air and land are becoming more evident.

Our policy environment is also changing. Environmental issues are increasingly cutting across ministries, sectors and jurisdictions. Co-operative action at the local, regional, provincial, national and international levels, is needed for effective environmental management. In particular, there is a need for enhancing the regulatory framework and having a coordinated policy approach to avoid overlap and duplication. Furthermore, Albertans now expect greater participation in shaping government policy and delivering the programs that affect the quality of their lives. As a consequence, the Ministry is becoming more policy-focused, moving beyond its traditional role of "regulator and doer" to becoming a "strategic manager", achieving outcomes through innovative partnerships, processes and tools.

As the Ministry moves forward with these changes, government is facing competing demands for resources and there is a continued requirement for cost-efficiency, risk management and accountability for results. The Ministry also has responsibility for ensuring that policy and regulatory frameworks, information, knowledge and systems that are needed to achieve our vision for Alberta's environment are available to motivate and support individuals, industry and communities.

To effectively address these challenges and meet public expectations, the Ministry is adopting a more strategic approach to environmental management that is focused on priorities and environmental outcomes. We are working with other ministries to establish a **government-wide vision**, shared goals and integrated environmental policies, with implementation across ministries. We are also taking a **"place-based" approach**, that integrates demands on resources and addresses cumulative effects on the environment in decision-making and management practices based on environmental boundaries.

The Ministry is focusing on working collaboratively with stakeholders based on the principle of **shared responsibility** for the environment. Efforts are also ongoing to establish **a comprehensive, flexible set of regulatory and non-regulatory tools and incentives** to encourage, support and reward effective environmental performance. The Ministry is also working to **continuously monitor and improve all environmental standards, practices and outcomes**.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Water

Linkage:
Goals 1 and 3

Albertans have a safe and sustainable supply of water

The Ministry, in collaboration with its Ministry partners, is responsible for water policy and legislation to effectively manage the quality and quantity of our water resources, and to ensure thriving ecosystems now and for the future. Our priority is to implement the new provincial water strategy, *Water for Life: Alberta's Strategy for Sustainability,* government-wide to ensure alignment toward the three outcomes of the water strategy:

- Safe, secure drinking water supply;
- Healthy aquatic ecosystems, and
- Reliable, quality water supplies for a sustainable economy.

2. Sustainable Resource and Environmental Management

Linkage: Goal 3

Alberta has integrated resource development and environmental management policies and outcome-based management systems, and streamlined regulatory processes

The Ministry is committed to implementing a government-wide approach to environmental management, and an improved resource and environmental regulatory framework. Revisions to the framework will be aimed at improving Alberta's high environmental standards and improving Alberta's business climate, including reducing regulatory duplication and overlap with other regulators.

3. Information and Knowledge

Linkage: Goal 3

Working with Albertans to achieve specific environmental outcomes based on shared credible information and knowledge

Effective environmental management requires reliable, accessible information on the state of the environment to continuously improve environmental standards, practices and outcomes. The Ministry is committed to transparency and providing reliable environmental data and information. Performance measurement, environmental monitoring, evaluation and reporting are essential to demonstrate progress towards achieving our goals and outcomes. Identifying and participating in scientific research helps further our understanding of the environment and enables us to evaluate new approaches to achieving environmental outcomes. Environmental education enhances Albertans' awareness, understanding and wise use of Alberta's environment.

4. Climate Change

Linkage:
Goals 1 and 3

Alberta takes effective action to address climate change

The Ministry, in collaboration with other governments and stakeholders, works toward innovative and practical long-term solutions to address the risks of climate change. Alberta is committed to doing its part to manage the risks associated with greenhouse gas emissions. The key thrust of this strategic priority is the implementation of the provincial action plan on climate change, *Albertans & Climate Change: Taking Action*, including:

- Taking immediate action to reduce greenhouse gas emissions; and
- Making strategic investments that help Alberta address climate change while developing a competitive Alberta economy.

5. Staff Capability

Linkage: Goal 2

We support our employees' ongoing development to achieve our shared and individual potential

The Ministry is dedicated to developing all employees and enhancing the leadership capacity of managerial, professional, technical and administrative staff. We will integrate our approach to learning, leadership development and a healthy workplace into our ongoing activities and initiatives. The Ministry aligns its human resource practices with government goals and priorities.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Based on the Government of Alberta's 2004-07 Business Plan and an assessment of opportunities and challenges, the following core businesses and goals have been established for the plan period. The strategies, performance measures and targets developed for each goal are also included.

Core Business One: Assuring Environmental Quality

The Ministry is responsible for assuring that our environment is sustained for current and future generations of Albertans. Ministry programs that support this core business include approvals, compliance and enforcement, monitoring and evaluation, standards, water operations, business planning and performance, policy development and innovation, reclamation and emergency preparedness.

GOAL ONE

Alberta's environment is clean and safe.

What it means

The Ministry ensures that the environment contributes to the high quality of life of current and future generations of Albertans. The Ministry provides assurance that the quantity and quality of water, air and land support healthy communities, industry performance, recreation and tourism in Alberta. The Ministry also works to anticipate sources of environmental risks, and ensures rapid, coordinated responses to environmental emergencies.

Strategies

Water

- Work with other Ministries, governments and stakeholders to implement *Water for Life: Alberta's Strategy for Sustainability* by:
    - Developing and implementing a comprehensive strategy to protect Alberta's drinking water
    - Undertaking initiatives and actions to protect aquatic ecosystems in critical areas of the province
    - Establishing water conservation objectives for the South Saskatchewan River Basin
    - Reviewing and updating Alberta's wetland policy, developing a supporting action plan to achieve sustainable wetlands
    - Developing a system for monitoring and assessing aquatic ecosystems
    - Establishing science-based methods for determining the ecological requirements of healthy aquatic ecosystems
    - Implementing a broad range of water management tools and techniques to ensure water is managed effectively to support sustainable economic development
    - Developing and implementing transboundary agreements with neighbouring jurisdictions
    - Developing and implementing a management and reporting system to support the sustainability of Alberta's water infrastructure

- Operate and maintain provincially owned water infrastructure to manage and sustain the province's water resources and support the outcomes of the provincial water strategy
- Administer Dam and Canal Safety Regulations under the *Water Act* to protect public safety as it relates to water infrastructure in the Province

Land

- Contribute to the development and implementation of an effective government-wide land use policy
- Enhance and continuously improve guidelines for soil quality and composting, and reclamation and remediation objectives for contaminated sites
- Implement enhancements to the upstream oil and gas reclamation and remediation program
- Ensure flexible regulatory and non-regulatory tools and incentives to promote the restoration of contaminated industrial sites back to a productive use

Air

- Enhance Alberta's comprehensive air management system by updating source emission standards and ambient air quality objectives with a view to maintaining and improving Alberta's air quality
- Develop and implement improved air quality management approaches for specific air issues
- Implement recommendations by the Clean Air Strategic Alliance on the electricity sector, and develop additional opportunities to institute air pollutant emission trading

Climate Change

- Work with stakeholders to implement the *Albertans & Climate Change: Taking Action* Plan by:
  - Developing and implementing sector performance expectations, flexible policies and programs for greenhouse gas emission reductions
  - Ensuring appropriate systems are implemented for reporting and registering greenhouse gas emissions and offsets
  - Initiating actions that make the Alberta government a leader in energy efficiency improvements, carbon management strategies and climate variability adaptation
  - Developing and implementing policies and programs that facilitate the increased use of renewable and alternative energy, and encourage innovation in the development, application and deployment of improved technologies and practices
  - Continuing to influence national and international climate change policies

Hazard Management

- Effectively manage the impact of drought, floods and toxic spills
- Implement emergency preparedness and response plans for provincial water infrastructure
- Prepare and execute a strategy for ongoing collection and management of obsolete pesticides
- Develop climate scenarios and disseminate information to address the risk of climate variability
- Provide effective environmental emergency response to air quality incidents, in partnership with Health and Wellness, regional health authorities, municipalities and industry

Performance Measures	Last Actual (2001-02)	Target 2004-05	Target 2005-06	Target 2006-07
Drinking Water Safety Indicator Evaluates performance of facilities in delivering safe drinking water and demonstrates continuous improvement of facilities and their operation. The indicator is comprised of four separate sub-measures: facility design standards, administrative non-compliance, water quality non-compliance, and incidents of illness.	New	To be determined		
River Water Quality Index Evaluates the quality of water in Alberta's major river systems, with respect to four groups of water quality variables: metals, bacteria, nutrients, and pesticides.	10 out of 12 sites with improved river quality	To maintain overall quality of Alberta's rivers		
Air Quality Index Measures outdoor concentrations of five major pollutants: carbon monoxide, nitrogen dioxide, ozone, sulphur dioxide, and fine particulate matter-$PM_{2.5}$. The AQI is based on data collected from nine continuous monitoring stations, three in both Edmonton and Calgary, and one in each of Fort McMurray, Fort Saskatchewan, and Red Deer.	Good air quality 97% of 2001-02	Maintain "good air" quality days equal to or greater than 97% of the time		
Greenhouse Gas Emissions Intensity Based on tonnes of annual greenhouse gas (GHG) emissions across Alberta relative to $million provincial gross domestic product (GDP). Targets will be determined relative to a 2020 target to reduce the GHG intensity of Alberta's economy to 50% of the 1990 emission intensity.	87%	Annual targets to be determined (50% of 1990 by 2020)		
Effective Infrastructure Measures the condition, utilization, and functional adequacy of provincially owned water management infrastructure.	New	To be determined		

GOAL TWO

Albertans receive effective and efficient services

What it means The Ministry has the capacity, tools, and frameworks that effectively support achievement of environmental outcomes, and the provision of excellent service to stakeholders, clients and the public.

Strategies

- Deliver regulatory approval and environmental assessment programs in a timely and co-ordinated manner while enhancing Alberta's high level of environmental protection
- Deliver education activities as part of compliance assurance and enforcement programs to further increase public understanding and awareness of regulatory requirements
- Review Ministry fees and charges to contribute to an equitable and fair regulatory system
- Develop a Risk Management Framework for the Ministry that is aligned with the government-wide approach, and enables the Ministry to adopt a consistent approach to managing environmental risks
- Develop and apply criteria for the systematic evaluation and reporting on the effectiveness of Ministry programs in achieving Business Plan outcomes
- Implement the Ministry's Human Resource Plan to enhance leadership capacity, support continued staff learning and development and encourage a healthy workplace, and ensure that the Ministry has the capability to successfully implement the business plan
- Implement the Information Technology Framework to address the priority information needs of the Ministry, stakeholders and clients

- Implement the Office Ecology Strategy to reduce the impact of the Ministry's business practices on the environment
- Develop a performance management system that facilitates effective implementation of the Ministry's Business Plan
- Implement a monitoring, reporting and evaluation framework for environmental quality
- Develop, with other ministries, guidelines for public, stakeholder or Aborginal consultation to ensure appropriate and effective consultation

Performance Measure

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Stakeholder Satisfaction with Ministry Programs Percentage of stakeholders satisfied with ministry performance based on survey results.	New	To be determined		

Core Business Two: Sharing Environmental Management and Stewardship

Ensuring a high quality environment is a shared responsibility. The Ministry is committed to working with citizens to effectively manage the environment for the benefit of current and future generations in Alberta. This includes sharing timely and credible information about the environment, so that Albertans can make informed decisions. Ministry programs that support this core business include climate change, Water for Life, intergovernmental relationships and partnerships, educational awareness, and integrated resource management.

GOAL THREE

Albertans recognize the impact of their activities on the environment and are informed, encouraged and enabled to work together to safeguard it

What it means The Ministry works collaboratively with other ministries, governments, organizations, associations and communities to effectively manage the environment. With knowledge and opportunity, Albertans can be actively involved in caring for the environment.

Strategies

Water

- Work with stakeholders to implement *Water for Life: Alberta's Strategy for Sustainability* by:
  - Establishing a public awareness and education program to provide Albertans with easy access to credible, effective water resource information and services
  - Establishing a Provincial Water Advisory Council
  - Establishing Watershed Planning and Advisory Councils for the Milk, Oldman, Bow, Red Deer, Battle, North Saskatchewan, Cold Lake - Beaver River and Lesser Slave Lake watersheds.
  - Completing watershed management plans for the South Saskatchewan, Battle, Cold Lake - Beaver River and Lesser Slave Lake watersheds
  - Ensuring Albertans understand the value of water to the economy and quality of life
  - Monitoring and reporting to Albertans on actual water use by all sectors in Alberta
  - Evaluating the merits of economic instruments as tools to achieve Alberta's water conservation and productivity objectives
  - Work through the Canadian Council of Ministers of the Environment to develop a Canada-wide approach to managing municipal wastewater effluents that minimizes or eliminates regulatory duplication and overlaps between federal and provincial jurisdictions

Land

- Demonstrate government leadership by developing model procurement and waste reduction policies and practices
- Promote product stewardship programs to minimize waste and recover value from waste materials
- Engage stakeholders in the review of solid waste management policies to ensure a credible, integrated approach to waste management and recycling
- Continue to work towards completing a comprehensive system of regional landfills across Alberta within available funding

Air

- Collaborate with other governments and stakeholders through the Clean Air Strategic Alliance and the Canadian Council of Ministers of the Environment to develop plans for maintaining and improving Alberta's air quality
- Work with the Clean Air Strategic Alliance and stakeholders to increase Albertans' understanding of how human activities impact air quality in the province

Climate Change

- Work with stakeholders to implement the *Albertans & Climate Change: Taking Action* Plan by:
  - Committing to actions that makes the Alberta government a leader in implementing energy efficiency/conservation initiatives within its operations
  - Supporting the work of Climate Change Central in administering energy conservation programs that engage Albertans and industry in taking energy conservation actions
  - Partnering with stakeholders to develop and demonstrate technologies or programs that will reduce greenhouse gas emissions
  - Keeping Albertans informed of the risks and opportunities of climate change and engaging them in efforts to adapt

Sustainable Resource and Environmental Management

- Ensure the vision of the government's role as a "systems manager" for environmental management and protection is supported by cross-government environmental and resource management policies and is reflected in the business plans of relevant Ministries
- Work collaboratively with the Ministries of Energy (including the Energy and Utilities Board) and Sustainable Resource Development to streamline and improve the energy, environmental and resource management regulatory systems so that Alberta has an efficient system that ensures environmental quality
- Enable easy access to environmental and resource information for government, industry, stakeholders and the public
- Develop and harmonize sustainable resource and environmental management standards using an integrated cross-ministry approach and a formalized stakeholder consultation process
- Lead reporting on progress in the implementation of *Alberta's Commitment to Sustainable Resource and Environmental Management*
- Support the Cumulative Environmental Management Association's implementation of the Regional Sustainable Development Strategy for the Athabasca Oil Sands by providing ongoing support

through staff participation in Association working groups and representation on the Management Committee, influencing and guiding the Association's process to meet timelines

Hazard Management

- Provide information that enables Albertans to take greater responsibility for flood risk avoidance
- Provide effective environmental emergency response to air quality incidents working in collaboration with municipalities and industry

Performance Measures

	Last Actual (2001-02)	Target 2004-05	Target 2005-06	Target 2006-07
Water Use Efficiency and Productivity Indicator Compares the amount of water allocated in relation to productivity and the population. Targets will be determined relative to a 2015 target of 30% improvement over 2005 level.	New	Annual targets to be determined (30% improvement by 2015)		
Municipal Solid Waste to Landfills Indicates Alberta's progress towards meeting continuous reduction of municipal solid waste disposed in landfills as measured in kilograms of waste per capita. Targets will be determined relative to a 2010 target to reduce volume of waste disposed in landfills to 500 kilograms per capita.	752 kg	Annual targets to be determined (500 kg per capita by 2010)		
Energy Efficiency Conservation Indicator Total number of programs for energy efficiency/ conservation.	7	9	10	11

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Assuring Environmental Quality	78,340	89,404	86,607	89,204	89,124	87,924
Sharing Environmental Management and Stewardship	28,244	31,631	37,331	35,667	35,667	34,667
MINISTRY EXPENSE	106,584	121,035	123,938	124,871	124,791	122,591

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	2,929	5,975	3,533	5,005	4,925	3,725
Premiums, Fees and Licences	1,970	2,318	2,320	2,320	2,320	2,320
Other Revenue	1,263	875	805	844	844	844
MINISTRY REVENUE	6,162	9,168	6,658	8,169	8,089	6,889
EXPENSE						
Program						
Approvals	12,782	13,947	13,947	14,437	14,437	14,437
Compliance and Enforcement	7,906	8,627	8,627	8,883	8,883	8,883
Monitoring and Evaluation	13,296	14,508	14,508	14,768	14,768	14,768
Standards	4,787	5,223	5,223	5,364	5,364	5,364
Water Operations	13,004	14,189	13,834	13,413	13,413	13,413
Business Planning and Performance	2,625	2,864	2,864	2,890	2,890	2,890
Policy Development and Innovation	5,600	6,110	6,110	5,983	5,983	5,983
Reclamation and Emergency Preparedness	2,929	5,975	3,533	5,005	4,925	3,725
Water for Life	-	-	-	5,000	5,000	5,000
Climate Change	6,405	6,989	6,989	6,031	6,031	5,031
Educational Awareness	2,983	3,255	3,255	3,312	3,312	3,312
Integrated Resource Management	7,925	8,647	8,647	7,351	7,351	7,351
Intergovernmental Relationships and Partnerships	1,342	1,464	1,464	2,032	2,032	2,032
Ministry Support Services	9,691	11,177	11,177	11,842	11,842	11,842
Amortization of Capital Assets	15,411	17,961	17,961	18,461	18,461	18,461
Valuation Adjustments and Other Provisions	(102)	99	5,799	99	99	99
MINISTRY EXPENSE	106,584	121,035	123,938	124,871	124,791	122,591
Gain (Loss) on Disposal of Capital Assets	(161)	(68)	-	-	-	-
NET OPERATING RESULT	(100,583)	(111,935)	(117,280)	(116,702)	(116,702)	(115,702)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	6,162	9,168	6,658	8,169	8,089	6,889
Inter-ministry consolidation adjustments	(2,929)	(5,975)	(3,533)	(5,005)	(4,925)	(3,725)
Consolidated Revenue	3,233	3,193	3,125	3,164	3,164	3,164
Ministry Program Expense	106,584	121,035	123,938	124,871	124,791	122,591
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Expense	**106,584**	**121,035**	**123,938**	**124,871**	**124,791**	**122,591**
Gain (Loss) on Disposal of Capital Assets	(161)	(68)	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(103,512)	(117,910)	(120,813)	(121,707)	(121,627)	(119,427)

Executive Council

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Ralph Klein

Ralph Klein, *Premier*
March 5, 2004

THE MINISTRY

Programs within the Ministry of Executive Council that report to the Premier include Executive Council, Office of the Premier, Public Affairs Bureau, and Office of the Chief Internal Auditor.

LINK TO THE GOVERNMENT STRATEGIC BUSINESS PLAN

Executive Council plays a leadership role in the development of the Government of Alberta Strategic Business Plan. It also coordinates ministries' efforts on all policy and administrative cross-ministry initiatives. Further, Executive Council provides a centralized internal audit function to government.

Due to the nature of the organization, with staff assigned to all ministries, the Public Affairs Bureau has a communications role to play in all government business plan goals. Bureau staff further assist ministry clients in communications work on all policy and administrative cross-ministry initiatives.

OFFICE OF THE PREMIER / EXECUTIVE COUNCIL

The Office of the Premier / Executive Council will continue to provide responsive support to the Premier and Executive Council, while maintaining open communication with Albertans. Programs for senior international visitors, provincial government ceremonial events, and protocol advice through the Protocol Office will continue to be provided. Support for policy coordination, business and strategic long-term planning will also be provided. In addition, administrative support will be provided to Executive Council, its Members and Committees, the Alberta Order of Excellence Council and the Office of the Lieutenant Governor with a focus on efficiency, effectiveness and economy. Further, a centralized internal audit function to ensure independent, objective assurance and advisory service to all government departments, and agencies, boards and commissions will be provided.

PUBLIC AFFAIRS BUREAU

VISION

The Public Affairs Bureau strives to be a centre of communications excellence and one of Albertans' preferred choices for news and information about their government's policies, programs and services.

MISSION

The mission of the Public Affairs Bureau is to help the government in its ongoing dialogue with Albertans by providing quality, coordinated and cost-effective communications services.

CORE BUSINESSES

Core Business 1: Help government ministries communicate with Albertans

Goal 1 - Increase communications with Albertans in the areas they identify as top priorities

Core Business 2: Provide Albertans with two-way access to government

Goal 2 - Make government information more accessible to Albertans

Core Business 3: Publish and sell Alberta's laws and other materials

Goal 3 - Deliver products and services that allow us to meet customer needs and revenue targets

Core business 1 includes: Supplying professionals to ministries to develop and implement communications programs; providing communications planning and consulting to government; coordinating communications for priority initiatives and during public emergencies; providing specialized writing and editing services; and, helping ministries purchase advertising and graphic design services.

Core business 2 includes: Operating the Service Alberta Contact Centre; managing the Alberta government website; managing the Alberta Connects program; distributing government news releases; and, providing technical support for major government news conferences and announcements.

Core business 3 includes: Publishing and selling Alberta's laws and other government materials; and, operating the Queen's Printer Bookstores in Edmonton and Calgary.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The continued growth of communication tools, such as the Internet, presents significant opportunity for the Bureau. As Internet availability and use grows, so will the government's ability to deliver cost-effective communications to a greater number of Albertans. It will also allow for public access to a wider variety of information and increased public involvement opportunities. A number of strategies in this plan are focused on increasing the scope and efficiency of the e-communications resources the government has to offer Albertans.

One challenge facing the Bureau is the fact that emergency communications programs, for unforeseen events such as the recent BSE situation, can have an impact on planned, long-term communications programs and activities. We will continue to use a flexible approach to staffing, which includes the ability to quickly move staff between ministries, to meet this challenge. Another challenge can be found in a growing demand from the public for information from the government. The Bureau's new corporate communications approach will allow us to respond to that demand in the most cost-effective and meaningful way possible.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Alberta government corporate communications approach **Linkage: Goal 1**	Continue to implement a government-wide corporate communications approach to ensure priority communications reach as many Albertans as possible in the most coordinated, accessible and effective way possible.
2. Communicating the Alberta government's long-term strategic business plan **Linkage: Goals 1 and 2**	Ensure effective communications planning and support around the four key areas of opportunity identified in the government's long-term strategic business plan: Unleashing Innovation, Leading in Learning, Competing in a Global Marketplace and Making Alberta the Best Place to Live, Work and Visit.
3. Public communications for policy initiatives **Linkage: Goal 1**	Deliver communications support to the government's policy Cross-Ministry Initiatives: Aboriginal Policy Initiative, Economic Development Strategy, Health Sustainability Initiative and Alberta Children and Youth Initiative.
4. Assist in the ongoing development of Service Alberta programs **Linkage: Goal 2**	Service Alberta is one of the government's four administrative cross-ministry initiatives. The Bureau will continue to improve customer service levels provided through the Service Alberta Contact Centre and will participate in other work to improve the overall quality of service available to the public through the Service Alberta website.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Help government ministries communicate with Albertans

GOAL ONE

Increase communications with Albertans in the areas they identify as top priorities

What it means Albertans have told us they want comprehensive, two-way communication about the government programs and services that matter most to them. They also have a right to receive clear facts about the issues faced by the province so they can form their own opinions about how they want government to handle those issues. This goal will ensure Albertans receive clear and timely communications from government.

Strategies

- Continue to implement a government-wide corporate communications approach to ensure priority communications reach as many Albertans as possible in the most coordinated, accessible and effective way possible:
  - Develop advertising guidelines and best practices to help ministries maximize the clarity, consistency, cost-effectiveness, accessibility and reach of their advertising programs.
  - Introduce the newly modernized Government of Alberta corporate identity across government. Develop standards and guidelines for use of the new identity on all government materials and signage. The implementation is planned to coincide with Alberta's 2005 Centennial celebrations.
  - Increase communications with diverse audiences across Alberta, such as multi-cultural communities, youth, rural communities and Albertans with disabilities.
- Deliver communications support to the government's four policy Cross-Ministry Initiatives (Health Sustainability Initiative, Aboriginal Policy Initiative, Economic Development Strategy and Alberta Children and Youth Initiative).
- Provide communications coordination and support to Alberta's 2005 Centennial celebrations.
- Ensure effective communications support around the four key areas of opportunity identified in the government's long-term strategic plan. Below is a sampling of the areas where Bureau staff will develop and implement communications programs to inform Albertans on key government activities:
  - *Unleashing Innovation:* includes the provincial water strategy; environmental assurance and protection activities; the Alberta SuperNet; and the management of forests, public lands, fish and wildlife.
  - *Leading in Learning:* includes K-12 curriculum and student achievement; accessing and planning for post-secondary supports; the Skills Investment Strategy; the WorkSafe Alberta Strategy; and promotion of science and technology career options for Alberta youth.
  - *Competing in a Global Marketplace:* includes agricultural industry development and support; the value-added manufacturing strategy; promotion of knowledge economy sectors such as life sciences and bio-technology; the Rural Development Strategy; foreign trade offices; tourism development; the provincial climate change action plan; Alberta's fiscal plan and results; natural resource development; electricity and natural gas restructuring; infrastructure development; Alberta's place in Confederation; and capital market securities reform.

- *Making Alberta the Best Place to Live, Work and Visit:* includes economic and social development of Aboriginal and Northern communities; farm safety net programs; prevention of family violence; supports for children with disabilities; community inclusion for adult Albertans with disabilities; automobile insurance; the Alberta Lottery Fund; consumer rights and protections; healthy and active living; changes in the Alberta health system; income and employment support programs; public awareness of key changes to the justice system such as family law reform and domestic violence initiatives; programs for municipalities; the Canada-Alberta affordable housing program; programs for seniors; AMBER alert and the High Risk Offender website; the Alberta Heritage Savings Trust Fund; and traffic safety programs.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Public satisfaction with government communications in priority areas	64%	75%	75%	75%
Government client satisfaction	95%	95%	95%	95%
Alberta Connects (e-mail inquiry response system) efficiency	94%	95%	95%	95%

Core Business Two: Provide Albertans with two-way access to government

GOAL TWO

Make government information more accessible to Albertans

What it means

Albertans have told us they want effective two-way communications with their government. Increasing use of e-communications, e-mail and the Internet across the province has further increased Albertans' expectations for quick and convenient access to information on government programs and services. With its strong focus on improving key resources such as the Alberta government website, this goal ensures that two-way communications vehicles are continually updated to meet changes both in technology and in Albertans' needs and expectations.

Strategies

- Work to develop and improve the Alberta government website so it can continue to effectively respond to high traffic levels and meet the communications needs of its users; increase public access to the website through libraries, Alberta government offices and other public access points.
- Assist in the ongoing development of Service Alberta programs by: continuing to improve customer service levels provided through the Service Alberta Contact Centre; working with Government Services and Innovation and Science to ensure the effective use of available call centre technologies; and participating as a member of various Service Alberta planning and service delivery committees.
- Enhance public consultation resources available on the Alberta government website, including improving Albertans' awareness of the new public consultation site and exploring the feasibility of expanding the scope of the website.
- Ensure that government is making the most of e-communications opportunities by developing tools for use in communications with Albertans, such as applications that allow the public to subscribe to electronic government publications and updates.
- Through the Cross-Government Internet Committee, continue the development of standards and guidelines which, when incorporated, will improve access to Alberta government websites for persons with disabilities, avoid duplication of content and promote the adoption of government developed privacy standards for the web.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Public satisfaction with access to government information	66%	75%	75%	75%
Public satisfaction with the Service Alberta Contact Centre	97%	98%	98%	98%
User satisfaction with the Alberta government website	87%	85%	85%	85%

Core Business Three: Publish and sell Alberta's laws and other materials

GOAL THREE

Deliver products and services that allow us to meet customer needs and revenue targets

What it means Under the *Queen's Printer Act*, the government must produce and provide citizen access to the Statutes of Alberta and other key information resources such as the Alberta Gazette. This goal ensures that all Albertans enjoy quick and convenient access to Alberta's laws, including key users of legislation such as the legal community, law enforcement and the business and industry community.

Strategies

- Implement new features to the Queen's Printer website to improve on-line ordering, including greater convenience for GST exempt customers and those wishing to charge orders on account.
- Improve accessibility to government publications by increasing the number of publications available through the Depository Library Program.
- Publish and distribute the new Occupational Health and Safety laws in easy-to-use publications that will make it easier for all employers and workers to keep pace with changes on Alberta worksites and help ensure safe, healthy and productive workplaces. The new workplace safety laws are part of the government's WorkSafe Alberta initiative.
- Provide subscribers to the Queen's Printers' professional legal website *QP Source* with the ability to view the Statutes of Alberta in historical perspective, at any required point-in-time.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Customer satisfaction with the Queen's Printer Bookstore	96%	98%	98%	98%
Meet Queen's Printer Bookstore revenue targets	$1,917,000 (96%)	$1,650,000 (100%)	$1,650,000 (100%)	$1,650,000 (100%)

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Office of the Premier / Executive Council	4,807	4,947	4,947	5,097	5,097	5,097
Public Affairs Bureau						
Help Government Ministries Communicate with Albertans	7,560	8,886	8,886	9,269	9,269	9,269
Provide Albertans with Two-way Access to Government	2,715	3,443	3,443	3,498	3,498	3,498
Publish and Sell Alberta's Laws and Other Material	1,798	1,509	1,509	1,906	1,906	1,906
Office of the Chief Internal Auditor	1,911	2,042	2,042	4,629	4,629	4,629
MINISTRY EXPENSE	18,791	20,827	20,827	24,399	24,399	24,399

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Premiums, Fees and Licences	1	-	-	-	-	-
Other Revenue	3,846	3,242	3,642	5,279	5,279	5,279
MINISTRY REVENUE	3,847	3,242	3,642	5,279	5,279	5,279
EXPENSE						
Program						
Office of the Premier / Executive Council	4,792	4,947	4,947	5,097	5,097	5,097
Public Affairs	12,030	13,838	13,838	14,673	14,673	14,673
Office of the Chief Internal Auditor	1,911	2,042	2,042	4,629	4,629	4,629
Valuation Adjustments and Other Provisions	58	-	-	-	-	-
MINISTRY EXPENSE	18,791	20,827	20,827	24,399	24,399	24,399
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(14,944)	(17,585)	(17,185)	(19,120)	(19,120)	(19,120)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	3,847	3,242	3,642	5,279	5,279	5,279
Inter-ministry consolidation adjustments	(2,057)	(2,192)	(2,192)	(3,779)	(3,779)	(3,779)
Consolidated Revenue	1,790	1,050	1,450	1,500	1,500	1,500
Ministry Program Expense	18,791	20,827	20,827	24,399	24,399	24,399
Inter-ministry consolidation adjustments	(2,057)	(2,192)	(2,192)	(3,779)	(3,779)	(3,779)
Consolidated Program Expense	**16,734**	**18,635**	**18,635**	**20,620**	**20,620**	**20,620**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(14,944)	(17,585)	(17,185)	(19,120)	(19,120)	(19,120)

Finance

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Patricia L. Nelson, *Minister of Finance*
March 4, 2004

THE MINISTRY

The Ministry of Finance includes the Department of Finance, Alberta Capital Finance Authority, Alberta Pensions Administration Corporation, ATB Financial, Alberta Insurance Council, Credit Union Deposit Guarantee Corporation and their subsidiaries. The Ministry of Finance also includes the activities of a number of companies in wind-up.

The Department of Finance has four main areas: Office of Budget and Management; Pensions, Insurance and Financial Institutions; Treasury Management; and Corporate Support.

The Finance Business Plan incorporates all the entities reporting to the Minister into an integrated strategic plan that focuses on the key priorities for the Ministry. The following plan does not include the day-to-day activities of the Ministry.

LINK TO THE GOVERNMENT STRATEGIC BUSINESS PLAN

This plan supports the 3-Year Government of Alberta (GOA) Business Plan to have a prosperous economy (Goal 7), which is aligned with the 20-Year Government of Alberta Strategic Business Plan of competing in a global marketplace (Opportunity 3). The Finance plan provides support by keeping taxes competitive and the regulatory system effective.

The plan also supports the 3-Year GOA Business Plan of having a financially stable, open and accountable government (Goal 8). This is aligned with the 20-Year Strategic Plan of making Alberta the best place to live, work and visit (Opportunity 4). Support is provided through the ministry's efforts to smooth out fluctuations in resource revenue, eliminate debt on schedule, keep spending affordable, ensure future sustainability of revenue to meet needs, monitor performance and assist with capital planning and financing for infrastructure.

Finally, the Ministry Plan supports the 3-Year GOA Business Plan to have an effective, responsive and well-managed local government (Goal 6), which is aligned with the 20-Year Strategic Plan to make Alberta the best place to live, work and visit (Opportunity 4). The ministry provides support through the Alberta Capital Finance Authority.

VISION

A province that is innovative and globally competitive with a fiscally sustainable and accountable government.

MISSION

Develop and implement the government's fiscal framework and financial policies.

CORE BUSINESSES

Core Business 1: Fiscal Planning and Financial Management
- Goal 1 - A financially strong, sustainable and accountable government
- Goal 2 - A fair and competitive provincial tax system
- Goal 3 - Effective management of financial assets, liabilities and risk

Core Business 2: Regulation of Provincial Financial Institutions
- Goal 4 - Reliable and competitive financial and insurance products and services

Core Business 3: Pensions Policy, Regulation and Administration
- Goal 5 - Pensions that deliver on promises

Core Business 4: Financial Services
- Goal 6 - Quality and competitive financial services accessible to Albertans and local authorities

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Maintaining a strong and sustainable financial position poses challenges. Changing world economic conditions, exchange rates and energy prices impact Alberta's economy and fiscal plan. The decline of high royalty rate conventional energy revenues is an issue that is being addressed. Disasters and emergencies, such as BSE and severe weather conditions, are unpredictable events that can have budget consequences. Volatile capital markets can affect pension plans and endowment funds like the Alberta Heritage Savings Trust Fund, especially if markets are weak for extended periods. The Sustainability Fund will help manage risks from energy and other revenues, as well as disasters and emergencies. An aging population and early retirements will also impact pension plans. Recognizing pressures on pension plans will enable stakeholders to work together to review pension plan governance and establish stabilizing strategies.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Maintaining Alberta's Fiscal Framework

Linkage: Goal 1

The government's new fiscal framework is designed to provide predictability, sustainability and continued discipline to prepare Alberta for the challenges that lie ahead, while maintaining a competitive tax environment. Finance will work with other ministries to maintain a balanced approach in fiscal planning. In addition, Finance will implement the accepted Financial Management Commission (FMC) recommendations, including the risk analysis, three-year capital plans, alternative mechanisms for capital project financing, capitalization and amortization of assets, and continued refinements to the government reporting entity.

2. Public-Private Partnerships (P3s)

Linkage: Goals 1 and 3

Public-private partnerships (P3s) have been identified as one option to deliver capital projects, where appropriate. Finance provides financial expertise to other ministries on financing government and government-funded capital projects, ranging from construction to information technology. Finance also determines the appropriate accounting treatment and the impact on the Province's financial position and fiscal plan. Finance will assess the costs and risks of alternate financing vehicles, including P3s, and make recommendations to mitigate provincial financial risk and achieve optimal value for money.

3. Enterprise-Wide Risk Management

Linkage: Goal 3

The Alberta government faces risks from a variety of sources. The concept of enterprise risk management is to identify the sources of risk to all major components of the Province's revenues and expenses and to use the collective strength of the enterprise to manage those risks with a comprehensive cost-effective strategy. In cooperation with other departments, Finance will develop an enterprise risk management framework and provide recommendations for government consideration.

4. Automobile Insurance

Linkage: Goal 4

The Government is committed to ensuring Albertans have access to affordable automobile insurance. Finance will work to implement recommendations from the government's review of automobile insurance, including issues respecting automobile injury claims and related premium increases.

5. Public Pension Plans Governance

Linkage: Goal 5

Finance, in consultation with public sector boards and stakeholders, will review current governance arrangements for public pension plans (in the context of recent proposals for independence) with the objective of making recommendations to improve accountability to plan members and taxpayers.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Fiscal Planning and Financial Management

GOAL ONE

A financially strong, sustainable and accountable government

What it means

Maintaining Alberta's strong financial position means keeping the budget balanced and sustainable. Strategic fiscal planning and prudent economic forecasting are required to meet today's priorities and sustain essential programs and services over the longer term. The Alberta Sustainability Fund has been established to cushion ongoing operating spending plans from volatile energy revenues and the costs of emergencies and disasters. The new Fiscal Framework includes a three-year capital plan, with some funding of capital from the capital account and alternative financing arrangements. The government will continue to balance the budget every year in accordance with the fiscal framework and to reduce the province's existing debt as scheduled. The government will also continue to fulfill its legislated commitment to be accountable to Albertans by publishing three-year consolidated fiscal plans, quarterly fiscal updates and annual performance reports, including audited financial statements, as required by the *Government Accountability Act*.

In executing its leadership role for these initiatives, Finance will continue to assess the economic impact associated with issues of concern to Albertans, including the implementation of the Climate Change Strategy. The department will also take an active role in strategic corporate approaches to information technology investment, governance and accountability.

Strategies

- Assess the financial costs and risks to the government of proposed P3s and make recommendations to reduce provincial financial risk and optimize value for money.
- Continue overseeing cross-government implementation of the accepted Financial Management Commission (FMC) recommendations. Finance will concentrate on supporting further development of the capital plan. In response to the Public Sector Accounting Board's recommendations, Finance will also work with other ministries to determine what entities should be consolidated in the government's reporting entity, with planned implementation for fiscal years beginning with Budget 2006 at the earliest.
- Continue to repay accumulated debt in accordance with the legislated plan.

Performance Measures

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Alberta's credit rating	AAA	AAA	AAA	AAA
Accumulated debt less cash set aside for debt repayment	$4.7 billion	$3.0 billion	$2.7 billion	$2.7 billion
Number of accepted FMC recommendations[1] implemented as scheduled	11 of 22 (2003-04) (accumulated)	15 of 22 (accumulated)	19 of 22 (accumulated)	22 of 22 (accumulated)
Percentage of Albertans who think they get enough information on the government's financial performance	63%	70%	70%	70%

[1] http://www.finance.gov.ab.ca/whatsnew/newsrel/2002/n020926_fmc_response.pdf

GOAL TWO

A fair and competitive provincial tax system

What it means Government policy is a low rate, broad base policy approach to promote efficiency of the tax system. Taxes are necessary to provide the revenue that government needs to fund programs and services. The tax system must be fair and promote self-reliance. Our taxes must also be competitive with those in other provinces and countries with which Alberta competes, in order to attract the investment, jobs and skilled workers necessary to keep our economy performing well. Alberta has a low single rate income tax, the lowest tax on gasoline in the country and no general payroll tax. Alberta is the only province without a capital tax or a general retail sales tax.

Finance continues to work with the federal government, other provinces and territories to promote effective tax systems and collection arrangements.

Strategies

- As affordable, complete implementation of the Business Tax Plan to reduce the general corporate income tax rate from 11.5% to 8%.

Performance Measures

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Provincial tax load for a family of four[1]	Lowest in Canada	Lowest in Canada	Lowest in Canada	Lowest in Canada
Provincial tax load on businesses[1]	Third Lowest In Canada	Lowest in Canada	Lowest in Canada	Lowest in Canada

[1] Shared measure with Alberta Revenue.

GOAL THREE

Effective management of financial assets, liabilities and risk

What it means Finance through the Treasury Management Division has responsibility for the province's ongoing cash management including short-term borrowing and investing, management of banking arrangements and cash forecasting as well as arranging short and long-term financing for the government and provincial corporations. Through prudent management of liabilities and assets, the Ministry endeavors to minimize financing costs and maximize investment returns.

The Ministry has assumed a leadership role in developing an enterprise risk management framework so that the Alberta Government can effectively manage the day-to-day financial challenges.

Strategies

- Effective investment policies are in place to ensure optimal return.
- Develop an enterprise-wide risk management framework for government decisions.
- Invest the Sustainability Fund in high quality fixed income assets.

Performance Measures

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Return on:				
• Sustainability Fund	New	To be determined		
• Debt Retirement Account compared to the cost of the debt on the day the investment is made	6 basis points higher than market cost on matching debt	Greater	Greater	Greater
• Consolidated Cash Investment Trust Fund compared to ScotiaMcLeod 91 day Treasury Bill Index	Under performed by 4 basis points[1]	Greater by 10 basis points[1]	Greater by 10 basis points[1]	Greater by 10 basis points[1]
All in cost of debt issued compared to an issue of comparable term in the Canadian public debt market	Cost Lower by $596,500 on $100 million[2]	Lower	Lower	Lower
Government decision on enterprise risk management program	Research phase completed	Government approval of framework	Program Implemented	Program Implemented

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[1] Basis point is 1/100 of a percent.

[2] Amount raised via private placements during the year.

Core Business Two: Regulation of Provincial Financial Institutions

GOAL FOUR

Reliable and competitive financial and insurance products and services

What it means Financial service providers are responsible for ensuring that Albertans receive the services they have purchased. Finance regulates the credit union, insurance, loan and trust industries in Alberta, in the interests of depositors, insurance policy holders, insurance intermediaries, trust beneficiaries and the companies themselves.

Finance is working with the automobile insurance industry to implement recommendations from the government's review of automobile insurance, including issues respecting automobile injury claims and related premium increases. In addition, Finance will monitor issues that face the insurance industry and consumers with respect to general property and liability insurance in Alberta.

Strategies

- Implement recommendations from the government's review of issues respecting automobile insurance, including compensation for automobile injury claims and premium increases.
- Work with industry and consumer stakeholders to review the statutory provisions of the *Insurance Act* respecting insurance contracts.
- Ensure a supervisory framework is in place to govern Alberta Treasury Branches (ATB Financial) and that it is appropriate and comparable to that for private sector financial institutions.

Performance Measures

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Automobile Insurance Review completed	Review implemented and Bill 33 introduced	Recommendations implemented	–	–
Revision of *Insurance Act* respecting contracts	n/a	Review of *Insurance Act*	*Insurance Act* revised	–
ATB Financial supervisory framework implemented	n/a	Implemented	–	–

Core Business Three: Pensions Policy, Regulations and Administration

GOAL FIVE 5

Pensions that deliver on promises

What it means Pension plan members need to be assured that their benefits are secure. Employers and other plan sponsors need to know that pension regulation is fair and even-handed. Finance assesses private sector pension plan compliance with legislative standards and ensures that action is taken and 'at risk ' plans comply with regulations. Finance will also continue to monitor funding of private sector pension plans.

The Department provides advice to the Minister of Finance on the financial soundness and governance of the public pension plans. Alberta Pensions Administration Corporation (APA) provides administrative services.

Finance works with the federal government and the other provinces to maintain the sustainability of the Canada Pension Plan and explores alternatives to allow Albertans to secure their retirement income. The Department provides support and information for government initiatives on public pension issues. In addition, Finance works with stakeholders and other jurisdictions across Canada to harmonize and streamline private pension legislation and regulatory processes.

Strategies

- In consultation with public pension boards and stakeholders, facilitate the improvement of pension governance frameworks.
- Review funding requirements for public pension plans.
- Review investment rules and returns for private pension plan assets.

Performance Measures

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of APA client members and employers satisfied or very satisfied with products and services	95% of clients and employers[1]	95% of clients and employers[1]	95% of clients and employers[1]	95% of clients and employers[1]
Improved pension governance frameworks	In progress	Developed and implemented	–	–
Percentage of private sector plans that meet minimum funding requirements	New	98%	98%	98%

[1] Average of client and employer satisfaction.

Core Business Four: Financial Services

GOAL SIX

Quality and competitive financial services accessible to Albertans and local authorities

What it means

Alberta's dynamic economy and entrepreneurial spirit requires readily accessible and technologically advanced financial services and products. Alberta Treasury Branches (ATB Financial) and the Alberta Capital Finance Authority (ACFA) are public sector components of the financial services sector.

ATB Financial is a full-service financial institution, with the largest branch network in the province. It provides services to individuals, small businesses and the agri-industry in 240 communities across Alberta.

ACFA provides financing to a variety of local authorities including municipalities, towns, counties, hospitals, schools and post-secondary institutions throughout the province for capital projects.

Strategies

- ATB Financial continues to operate on sound financial institution and business principles with the objective of earning a fair return.
- ACFA will continue to provide local authorities within the province with flexible funding for capital projects at the lowest possible cost, consistent with the viability of ACFA.

Performance Measures

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Local authorities' cost of borrowing from ACFA relative to borrowing costs of other Canadian municipalities within the viability of the Corporation	Lowest[1]	Lowest	Lowest	Lowest
ATB Financial				
• Loan loss provisions as a percentage of average total loans	(0.39%)	0.30%	0.30%	0.35%
• Expenses to operating revenue	66.99%	66.15%	66.30%	66.11%
• Return on average assets (before tax)	1.55%	0.97%	1.06%	1.16%

[1] Lowest at short and long-term maturities, but slightly higher than the lowest rate in Canada for mid-term (i.e., 5 and 10 years) rates.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Fiscal Planning and Financial Management	550,923	542,246	359,342	445,247	412,264	393,519
Regulation of Provincial Institutions	4,521	4,928	5,942	5,652	6,046	6,174
Pension Policy, Regulation and Administration	24,834	28,430	27,822	27,792	27,537	27,407
Financial Services	331,703	315,965	323,007	314,057	292,973	274,691
MINISTRY EXPENSE	911,981	891,569	716,113	792,748	738,820	701,791

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	280,243	95,679	115,886	84,365	105,995	93,858
Other Taxes	1,702	600	1,700	750	750	750
Transfers from Government of Canada	4,055	4,030	4,055	4,055	4,055	4,055
Investment Income	528,710	504,311	539,500	504,259	468,993	445,267
Premiums, Fees and Licences	19,406	26,582	15,039	20,341	21,800	23,352
Net Income from Commercial Operations	224,899	156,660	165,563	155,837	151,344	164,220
Other Revenue	126,144	28,313	26,830	27,593	26,783	26,618
MINISTRY REVENUE	1,185,159	816,175	868,573	797,200	779,720	758,120
EXPENSE						
Program						
Fiscal Planning and Accountability	7,735	9,338	8,727	9,270	9,218	9,018
Treasury Management	72,211	71,887	74,529	77,838	78,918	81,057
Financial Sector Operations	4,477	4,881	6,513	5,650	6,037	6,143
Public Sector Pension Policy and Administration	23,264	27,068	26,163	26,210	25,967	25,827
Financing to Local Authorities	331,263	315,518	322,172	313,595	292,526	274,236
Ministry Support Services	5,272	5,074	5,306	5,165	5,108	5,164
Valuation Adjustments and Other Provisions	(345)	300	200	-	-	-
Total Program Expense*	443,877	434,066	443,610	437,728	417,774	401,445
Debt Servicing Costs						
Department Voted	70,675	61,503	61,503	53,020	45,246	38,046
Department Statutory	397,429	396,000	211,000	302,000	275,800	262,300
Ministry Debt Servicing Costs	468,104	457,503	272,503	355,020	321,046	300,346
MINISTRY EXPENSE	911,981	891,569	716,113	792,748	738,820	701,791
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	273,178	(75,394)	152,460	4,452	40,900	56,329

* Subject to the *Fiscal Responsibility Act*. Program expense includes the province's cash payments towards the unfunded pension liability (which will be eliminated under a separate legislated plan). Program expense does not include the annual change in the unfunded pension obligations, which is a non-cash expense that does not affect borrowing requirements. The annual increases (decreases) in the Ministry of Finance's unfunded pension obligations are:

81,349 (6,000) (9,000) (13,000) (16,000) (17,000)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	1,185,159	816,175	868,573	797,200	779,720	758,120
Inter-ministry consolidation adjustments	(350,139)	(174,274)	(185,762)	(158,297)	(185,887)	(177,352)
Consolidated Revenue	835,020	641,901	682,811	638,903	593,833	580,768
Ministry Program Expense	443,877	434,066	443,610	437,728	417,774	401,445
Inter-ministry consolidation adjustments	(175)	(196)	(164)	(194)	(194)	(194)
Consolidated Program Expense	**443,702**	**433,870**	**443,446**	**437,534**	**417,580**	**401,251**
Ministry Debt Servicing Costs	468,104	457,503	272,503	355,020	321,046	300,346
Inter-ministry consolidation adjustments	(87,575)	(95,394)	(86,708)	(89,726)	(94,503)	(96,716)
Consolidated Debt Servicing Costs	380,529	362,109	185,795	265,294	226,543	203,630
Consolidated Expense	824,231	795,979	629,241	702,828	644,123	604,881
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	10,789	(154,078)	53,570	(63,925)	(50,290)	(24,113)

Gaming

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Ron Stevens, QC, *Minister of Gaming*
March 4, 2004

THE MINISTRY

The Ministry of Gaming includes the Department of Gaming, the Alberta Gaming and Liquor Commission, the Alberta Lottery Fund, the Alberta Gaming Research Council, the Racing Appeal Tribunal and responsibility for the *Horse Racing Alberta Act*. The Ministry is responsible for ensuring that the gaming and liquor industries in Alberta operate with integrity, accountability, and in a socially responsible manner while maximizing benefits to Albertans.

Gaming activities contribute to Albertans' quality of life by providing opportunities for charitable groups to raise funds directly for their valuable work, by providing entertainment options to adults in Alberta, and by providing funding used by government to support community and volunteer initiatives. In 2002-2003, charitable and religious organizations raised approximately $206 million through licensed gaming activities under Alberta's unique charitable gaming model. In addition, over $1 billion of gaming proceeds is provided annually to volunteer groups and public and community-based initiatives through the Alberta Lottery Fund.

Alberta's unique privatized liquor industry has more than 1,000 stores and retails over 11,000 listed liquor products. The private sector operates the retailing, warehousing, and distribution of liquor in Alberta and the Alberta Gaming and Liquor Commission licenses and regulates the industry. The province receives approximately $550 million annually through the mark-up on liquor products sold in Alberta.

DEPARTMENT OF GAMING

The Department's primary responsibilities are strategic services, communications, and administration of various lottery-funded programs, including the Community Facility Enhancement Program and the Community Initiatives Program. The Department benefits from services provided by the Alberta Gaming and Liquor Commission in the areas of human resources and information technology and from other administrative services provided through the Alberta Corporate Service Centre.

ALBERTA GAMING AND LIQUOR COMMISSION

The Alberta Gaming and Liquor Commission (AGLC), a commercial enterprise within the Government of Alberta, consists of a Board and a Corporation. The Corporation acts as the operational arm of the organization, while the Board is responsible for policy and regulatory matters. The Commission ensures that gaming and liquor activities in Alberta are conducted honestly, openly, and with the highest level of integrity. The Commission also endeavours to maximize the economic benefits of gaming and liquor activities in the province to the benefit of Albertans.

ALBERTA LOTTERY FUND

The Alberta Lottery Fund, established in 1989, comprises the government's portion of revenues from provincial lotteries (ticket lotteries, slot machines, video lottery terminals, DIGI Bingo, and Keno). Expenditures from the fund are voted in the Legislature and support programs, projects and foundations administered by various ministries. The AGLC administers the Alberta Lottery Fund and the Department of Gaming delivers various lottery-funded programs.

ALBERTA GAMING RESEARCH COUNCIL

The Alberta Gaming Research Council is a broad-based advisory group to the Minister of Gaming. The Council is made up of six public representatives and one representative from each of the following organizations: Alberta Alcohol and Drug Abuse Commission (AADAC), Alberta Health and Wellness, and Alberta Gaming. The Council was established to help direct the research activities of the Alberta Gaming Research Institute. The Institute is an independent consortium of the Universities of Alberta, Calgary and Lethbridge that promotes research into various aspects of gaming, emerging gaming trends and problem gambling prevention and treatment.

RACING APPEAL TRIBUNAL

The Minister appoints members to the Racing Appeal Tribunal, as prescribed in the *Horse Racing Alberta Act*, to hear appeals arising from rulings or directions of horse racing officials. The Tribunal's costs are borne by Horse Racing Alberta.

HORSE RACING ALBERTA ACT

The Minister of Gaming is responsible for the *Horse Racing Alberta Act*. The legislation places responsibility for management and regulation of the horse racing industry in Alberta on a private, not-for-profit organization - Horse Racing Alberta.

LINK TO THE GOVERNMENT BUSINESS PLAN

The Ministry of Gaming contributes primarily to two of the goals in the Government Business Plan: Goal 7 - Alberta will have a prosperous economy; and Goal 11 - Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas.

VISION

A province that strives to balance choice and responsibility in its gaming and liquor industries, uses revenue derived from these activities for the benefit of Albertans, and provides opportunity for competition and enhanced service in its gaming and liquor industries.

MISSION

To ensure integrity and accountability in Alberta's gaming and liquor industries, and to achieve the maximum benefit for Albertans from gaming and liquor activities.

CORE BUSINESSES

Core Business 1: Ensure that Alberta's liquor industry operates with integrity and accountability and in a socially responsible manner.

Goal 1 - The integrity of Alberta's liquor industry is maintained and liquor policies achieve a balance between choice, social responsibility and economic benefit.

Goal 2 - Albertans are aware of prevention and treatment programs for alcohol abuse.

Core Business 2: Ensure that Alberta's gaming industry operates with integrity and accountability and in a socially responsible manner.

Goal 3 - The integrity of Alberta's gaming industry is maintained and gaming policies achieve a balance between choice, social responsibility and economic benefit.

Goal 4 - Albertans are aware of prevention and treatment programs for problem gambling.

Core Business 3: Ensure the Alberta Lottery Fund benefits Alberta communities.

Goal 5 - Lottery Funds are effectively managed and support volunteer, public and community-based initiatives.

Goal 6 - Albertans are aware of the initiatives supported by the Alberta Lottery Fund.

GUIDING PRINCIPLES

The Ministry has adopted the following guiding principles for gaming and liquor in Alberta. These guiding principles are subject to ongoing review to ensure they continue to reflect Albertans' values.

1. The integrity of gaming and liquor activities will be ensured.
2. Gaming and liquor policies will reflect a commitment to social responsibility.
3. Gaming and liquor policies will be supported by sound research and consultation with the public and stakeholders.
4. The collection and use of gaming and liquor revenue will be open and accountable.
5. Gaming activities will meet standards of quality to protect the integrity of gaming activities, provide gaming entertainment value to consumers and help to keep gaming dollars in Alberta.
6. Alberta's liquor industry will continue to be among the most progressive and competitive in the country and continue to lead the nation in terms of supply, distribution, pricing and customer service.
7. The financial return to eligible groups from charitable gaming and from provincial lotteries is to be maximized for the benefit of Albertans.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The Ministry has identified several challenges related to achieving its vision. The most significant challenges are ensuring the ongoing integrity of gaming and liquor activities, achieving a balance between consumer choice and the responsible provision of alcohol and gaming entertainment, and managing the ongoing evolution of the gaming and liquor industries, including the anticipated growth in the gaming industry.

The integrity of gaming and liquor activities requires constant vigilance. In facing this challenge, the Ministry continues to establish rigorous processes to ensure only eligible applicants are licensed and devotes considerable resources in monitoring ongoing operations and investigating all potential threats to integrity.

The cornerstone of Alberta's approach to its gaming and liquor industries is that all activities are conducted in a socially responsible manner. The Ministry continues to identify opportunities to work closely with all stakeholders to develop appropriate policies and innovative programs to minimize problem gambling and alcohol abuse.

Finally, the Ministry of Gaming has substantially completed implementation of the major recommendations arising from the Gaming Licensing Policy Review. As the implementation of the remaining recommendations is completed, the Ministry is well positioned to establish the framework for assessing emerging issues and meeting the government's commitments to future policy and legislative reviews. These commitments include a review of the First Nations Gaming Policy and reviewing gaming policies and the *Gaming and Liquor Act* and Regulation.

STRATEGIC PRIORITIES 2004-07

Alberta Gaming continues to identify and work on major strategic initiatives related to gaming and liquor in the province. These initiatives include:

1. **Ensuring that Alberta's liquor industry remains progressive and ensuring that the interests of Alberta consumers are protected.**

   Linkage: ***Goal 1*** The integrity of Alberta's liquor industry is maintained and liquor policies achieve a balance between choice, social responsibility and economic benefit.

2. **Maintaining the highest level of integrity for gaming and liquor activities.**

   Linkage: ***Goal 1*** The integrity of Alberta's liquor industry is maintained and liquor policies achieve a balance between choice, social responsibility and economic benefit.
   Goal 3 The integrity of Alberta's gaming industry is maintained and gaming policies achieve a balance between choice, social responsibility and economic benefit.

3. **Developing policies and programs to ensure that the gaming and liquor industries continue to operate in a socially responsible manner.**

   Linkage: ***Goal 2*** Albertans are aware of prevention and treatment programs for alcohol abuse.
   Goal 4 Albertans are aware of prevention and treatment programs for problem gambling.

4. **Managing the changing landscape of the maturing gaming industry, including the relationship with the Western Canada Lottery Corporation (WCLC).**

   Linkage: ***Goal 3*** The integrity of Alberta's gaming industry is maintained and gaming policies achieve a balance between choice, social responsibility and economic benefit.

5. **Ensuring the First Nations Gaming Policy provides opportunities for gaming facilities on First Nations land and benefits for First Nations communities.**

   Linkage: ***Goal 3*** The integrity of Alberta's gaming industry is maintained and gaming policies achieve a balance between choice, social responsibility and economic benefit.

6. **Managing the Alberta Lottery Fund and increase awareness so that Albertans understand how the Fund benefits volunteer groups and public and community-based initiatives.**

   Linkage: ***Goal 5*** Lottery Funds are effectively managed and support volunteer, public and community-based initiatives.
   Goal 6 Albertans are aware of the initiatives supported by the Alberta Lottery Fund.

CORE BUSINESSES, GOALS, STRATEGIES, AND MEASURES

Core Business One: Ensure that Alberta's liquor industry operates with integrity and accountability and in a socially responsible manner.

GOAL ONE

The integrity of Alberta's liquor industry is maintained and liquor policies achieve a balance between choice, social responsibility and economic benefit.

What it means

The Ministry is committed to ensuring Alberta's liquor industry will continue to be among the most progressive and competitive in the country and continue to lead the nation in terms of supply, distribution, pricing and customer service. The Ministry ensures the regulation of the liquor industry through the provisions of the *Gaming and Liquor Act* and Regulation.

Strategies

1. Monitor emerging issues and trends, and where necessary, develop policies to address the social and economic implications of these issues.
2. Ensure the liquor industry operates in compliance with legislation and policy.
3. Work with the liquor industry to ensure Alberta's unique privatized liquor industry remains progressive and competitive.
4. Ensure liquor policies protect the interests of Albertans and benefit Alberta's consumers.
5. Consult with stakeholders on major policy initiatives.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Albertans surveyed who are satisfied with the conduct of the liquor business in Alberta.	80%	80%	80%	80%

GOAL TWO

Albertans are aware of prevention and treatment programs for alcohol abuse.

What it means

The Ministry is committed to ensuring that Alberta's liquor industry operates in a socially responsible manner. The Ministry partners with the Alberta Alcohol and Drug Abuse Commission (AADAC), stakeholders and others to ensure the availability of prevention and treatment programs for alcohol abuse.

Strategies

1. Partner with AADAC and the liquor industry to develop and deliver programs related to the responsible sale and consumption of liquor.
2. In partnership with AADAC and the liquor industry, ensure consumers of alcohol are aware of prevention and treatment programs for alcohol abuse.
3. Support research and education related to the responsible use of alcohol in areas such as Fetal Alcohol Spectrum Disorder.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Albertans surveyed who are aware of prevention and treatment programs for alcohol abuse.	87%	88%	89%	90%

Core Business Two: Ensure that Alberta's gaming industry operates with integrity and accountability and in a socially responsible manner.

GOAL THREE

The integrity of Alberta's gaming industry is maintained and gaming policies achieve a balance between choice, social responsibility and economic benefit.

What it means The Ministry is committed to ensuring that Alberta's gaming industry operates with integrity and that legislation and policy strike a balance between choice, social responsibility and economic benefit. The Ministry ensures the regulation of the gaming industry through the provisions of the *Gaming and Liquor Act* and Regulation.

Strategies

1. Monitor emerging issues and trends, and where necessary, develop policies to address the social and economic implications of these issues.
2. Develop a framework for the review of gaming policies, legislation and regulation.
3. Ensure Albertans are consulted with respect to major policy initiatives.
4. Ensure Alberta's charitable gaming model continues to provide maximum benefit to charities.
5. Ensure the gaming industry operates in compliance with legislation and policy.
6. Manage First Nations Gaming Policies and ensure policies are consistent with the charitable gaming model and the government's Aboriginal Policy Framework.
7. Work collaboratively with First Nations to develop and implement the framework for the First Nations Development Fund.
8. Fulfill government's commitment to review the First Nations Gaming Policy.
9. Ensure the accountability of Horse Racing Alberta for its legislated responsibilities and the funding provided to it under the Racing Industry Renewal Initiative.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Albertans surveyed who are satisfied with the conduct of legal gaming in Alberta.	73%	75%	75%	75%

GOAL FOUR

Albertans are aware of prevention and treatment programs for problem gambling.

What it means The Ministry is committed to ensuring the gaming industry operates in a socially responsible manner. The Ministry partners with AADAC, stakeholders, and others to ensure the availability of prevention and treatment programs for those who may experience a problem with gambling. Research into various aspects of gaming is funded to enhance understanding and assist policy development.

Strategies

1. Partner with AADAC and the gaming industry to develop and deliver programs related to the responsible delivery of gaming entertainment.
2. In partnership with AADAC and the gaming industry, ensure consumers of gaming products are aware of prevention and treatment programs for problem gambling.
3. Conduct research into various aspects of gaming related to attitudes, problem gambling and economic analysis.
4. Collaborate with the Alberta Gaming Research Council to identify priority research needs.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Albertans surveyed who are aware of prevention and treatment programs for problem gambling.	84%	86%	88%	90%

Core Business Three: Ensure the Alberta Lottery Fund benefits Alberta communities.

GOAL FIVE

Lottery Funds are effectively managed and support volunteer, public and community-based initiatives.

What it means All provincial government gaming revenue from gaming operations is directed to the Alberta Lottery Fund and identified for use by specific volunteer groups, and for public and community-based initiatives. The Alberta Gaming and Liquor Commission (AGLC) is responsible for administration of the Alberta Lottery Fund and the Department of Gaming delivers various lottery-funded programs.

Strategies

1. Allocate Alberta Lottery Fund proceeds according to government policy.
2. Provide Community Facility Enhancement Program (CFEP) matching grants to improve Alberta's community public-use facilities.
3. Support project-based initiatives through the Community Initiatives Program (CIP).
4. Fulfill government commitments to allocate gaming revenue to specific initiatives such as the Racing Industry Renewal Initiative and Bingo.
5. Continue to enhance the reporting systems related to grants and charitable gaming proceeds.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Alberta Lottery Fund disbursements committed to supporting volunteer groups, and public and community-based initiatives.	100%	100%	100%	100%
Percentage of administration costs of lottery-funded programs administered by the Department of Gaming.	1.25%	Less than 2% of program disbursements	Less than 2% of program disbursements	Less than 2% of program disbursements

GOAL SIX

Albertans are aware of the initiatives supported by the Alberta Lottery Fund.

What it means The Ministry informs Albertans about the Alberta Lottery Fund and its support of volunteer groups, and public and community-based initiatives.

Strategies

1. Manage and expand the information and awareness initiative about the Alberta Lottery Fund and how it is used to benefit Albertans.
2. Ensure optimum use of all communication vehicles, including the Internet, to provide information about the Alberta Lottery Fund.
3. Work with other ministries, lottery-funded agencies, and other stakeholders to enhance awareness of lottery-funded initiatives.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Albertans who are aware that the Alberta Lottery Fund supports volunteer groups, and public and community-based initiatives.	47%	48%	49%	50%
Percentage of Albertans who are satisfied with how the Alberta Lottery Fund is used.	70%	73%	74%	75%

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ensure that Alberta's liquor industry operates with integrity and accountability and in a socially responsible manner	352	529	529	565	576	576
Ensure that Alberta's gaming industry operates with integrity and accountability and in a socially responsible manner	2,262	2,659	2,659	2,732	2,754	2,754
Ensure the Alberta Lottery Fund benefits Alberta communities	1,096,812	1,099,912	1,111,719	1,168,498	1,218,180	1,209,951
MINISTRY EXPENSE	1,099,426	1,103,100	1,114,907	1,171,795	1,221,510	1,213,281

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Net Income from Commercial Operations						
Net Gaming and Lottery Revenue	1,089,666	1,093,229	1,105,036	1,161,831	1,211,546	1,203,317
Net Liquor and Related Revenue	534,715	545,899	550,867	550,778	550,195	549,595
Investment Income						
Lottery Fund Interest Revenue	8,592	6,000	6,000	6,000	6,000	6,000
Other Revenue						
Various	212	-	24	-	-	-
MINISTRY REVENUE	1,633,185	1,645,128	1,661,927	1,718,609	1,767,741	1,758,912
EXPENSE						
Program						
Ministry Support Services	1,409	2,118	2,118	2,263	2,307	2,307
Gaming Research	1,557	1,600	1,600	1,600	1,600	1,600
Lottery Funded Programs	120,010	150,601	142,201	160,849	197,105	193,105
Lottery Fund Payments to Other Ministries	976,450	948,781	968,988	1,007,083	1,020,498	1,016,269
MINISTRY EXPENSE	1,099,426	1,103,100	1,114,907	1,171,795	1,221,510	1,213,281
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	533,759	542,028	547,020	546,814	546,231	545,631

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	1,633,185	1,645,128	1,661,927	1,718,609	1,767,741	1,758,912
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Revenue	1,633,185	1,645,128	1,661,927	1,718,609	1,767,741	1,758,912
Ministry Program Expense	1,099,426	1,103,100	1,114,907	1,171,795	1,221,510	1,213,281
Inter-ministry consolidation adjustments	(976,450)	(948,781)	(968,988)	(1,007,083)	(1,020,498)	(1,016,269)
Consolidated Program Expense	**122,976**	**154,319**	**145,919**	**164,712**	**201,012**	**197,012**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	1,510,209	1,490,809	1,516,008	1,553,897	1,566,729	1,561,900

Government Services

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

David C. Coutts *Minister of Government Services*
March 5, 2004

THE MINISTRY

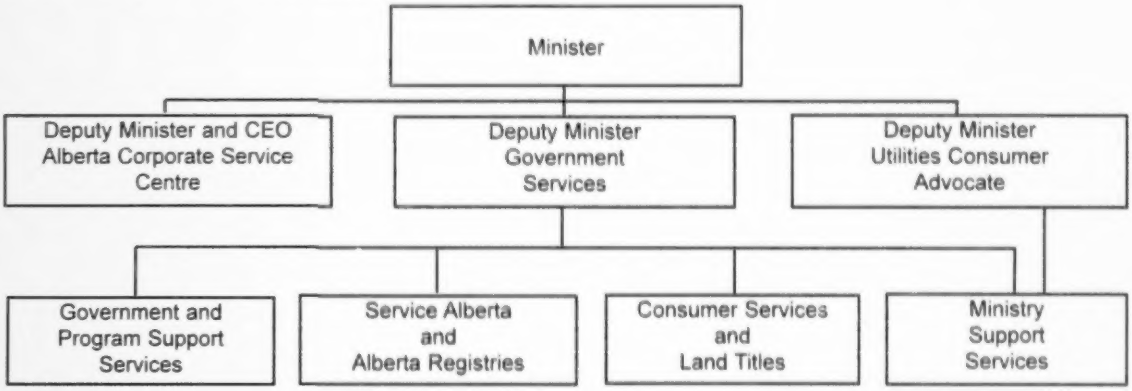
Information and service programs provided by Government Services touch the lives of Albertans on a daily basis. As Albertans register a vehicle, buy a house, start a business, and conduct various other every-day business transactions, they rely on our ministry to register and protect their interests.

Our critically acclaimed consumer legislation is key to our work in promoting confidence in a fair and effective Alberta marketplace. This legislation goes hand-in-hand with effective enforcement and consumer education and awareness programs. Together these programs help to ensure that fewer Albertans become the target of unscrupulous business practices. Albertans' interests and complaints are also being addressed through the Utilities Consumer Advocate, which was established to bring forward consumer concerns and provide user-friendly information about the restructuring of the utility marketplace. Specifically, the Utilities Consumer Advocate participates in regulatory proceedings, facilitates the handling of complaints and coordinates consumer education.

The Ministry also provides support and guidance to government and local public bodies, as well as the private sector, to ensure that Albertans' personal information is protected and they are able to request access to information.

In delivering these programs, the Ministry has developed a tradition of service excellence. That commitment extends to promoting the corporate goals and strategic directions of the provincial government. Specifically, we champion two of the provincial government's key administrative initiatives. One is Service Alberta, which improves Albertans' access to government information and programs. The other is the Alberta Corporate Service Centre, which delivers cost-effective administration, finance, human resources and information technology services to all ministries. The success of these two administrative initiatives is dependent on the ongoing commitment of our Ministry partners as we collaborate to improve service delivery.

The organizational structure of the Ministry allows it to effectively deliver its services to Albertans and to clients internal to government, local public bodies and private sector organizations.


Minister
Deputy Minister and CEO Alberta Corporate Service Centre
Deputy Minister Government Services
Deputy Minister Utilities Consumer Advocate
Government and Program Support Services
Service Alberta and Alberta Registries
Consumer Services and Land Titles
Ministry Support Services

LINK TO THE GOVERNMENT STRATEGIC BUSINESS PLAN

Government Services supports achievement of the new Government of Alberta Strategic Business Plan and envisions a province where people are free to realize their full potential and are capable of creating and capitalizing on opportunity, the vulnerable are protected, and the economic fundamentals of the province are strong. The areas of opportunity most strongly supported by the Ministry include competing in a global marketplace and making Alberta the best place to live, work and visit. Through our continued review and updating of consumer legislation, Alberta businesses and consumers are ensured of a level and competitive playing field and our marketplace enforcement provisions deter unscrupulous businesses from preying on the vulnerable. The ministry also contributes to Albertans' quality of life by enhancing access to government services, protecting interests in property and promoting security of personal information.

Government of Alberta Goal	***Ministry Services***
Alberta will have a prosperous economy.	• Facilitating 14.5 million common business transactions for Albertans through registry services. • Establishing and enforcing a legislative framework for fair and ethical business practices. • Promoting consumer awareness and understanding of utilities deregulation and changes to the market. • Supporting private sector privacy legislation that protects Albertans' personal information while enabling businesses to use information for reasonable purposes.

Alberta will be a fair and safe place to work, live and raise families.

- Delivering consumer awareness and protection programs targeted to those who are most vulnerable.
- Protecting Albertans from fraud and identity theft through a secure driver's licence and identification card, as well as investigative and educational initiatives.
- Maintaining the Motor Vehicles registry in support of the *Traffic Safety Act* and road safety initiatives.

Alberta's children and youth will be supported in reaching their potential.

- Supporting the maintenance enforcement program for children and families through the restriction of registry services.
- Ensuring accurate documentation allows children to obtain services (e.g., birth certificates).

Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.

- Championing the Service Alberta and Alberta Corporate Service Centre initiatives.
- Providing support and advisory services to public bodies that are administering the *Freedom of Information and Protection of Privacy (FOIP) Act* and records management legislation.
- Leading the development of a provincial Information Management Framework which sets out standards and policies for managing all information, including electronic records.

VISION

Albertans served with excellence through innovative leadership.

MISSION

Serving Albertans by promoting a fair marketplace, providing effective access to government information and services, and protecting privacy.

CORE BUSINESSES

Core Business 1: Support a fair and effective marketplace in Alberta.

Goal 1 - Efficient licensing and registration services.

- motor vehicles
- land titles
- personal property
- vital statistics
- corporate registry
- business licences
- charitable organizations

Goal 2 - Informed consumers and businesses, and a high standard of marketplace conduct.

Goal 3 - Effective advocacy of Albertans' interests in the restructured utilities market.

Core Business 2: Lead service improvement initiatives on behalf of the Government of Alberta.

Goal 4 - A service environment that enables Albertans to access government information and services in a manner of their choice.

Goal 5 - Effective management of, and access to information, and protection of privacy.

Goal 6 - Economical and responsive delivery of shared support services.

CLIENTS AND STAKEHOLDERS

Our mission involves delivering services to both external and internal clients. Our primary external clients are Alberta consumers and businesses. However, we also work closely with:

- industry groups,
- non-profit organizations,
- law enforcement agencies,
- delegated regulatory organizations and other regulatory authorities,
- other government entities and jurisdictions across North America,
- a network of registry agents throughout Alberta and
- other external service providers.

Government of Alberta ministries partner with us to implement the Service Alberta initiative and also access our advice and support in administering Freedom of Information and Protection of Privacy legislation and records management services. In addition, administration, finance, human resources and information technology services are provided to other ministries and some agencies, boards and commissions through the Alberta Corporate Service Centre.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Based on environmental scanning, the Ministry explored the implications of a number of opportunities and risks. This business plan has been developed to address the most critical items:

Changing Technology. Technology is a critical component in the ongoing delivery of this Ministry's programs and services. Information and communications technology initiatives must balance diverse client demands with cost benefits while ensuring alignment with Government of Alberta standards. Every effort must be made to keep our technology initiatives manageable, yet proceed at a pace that ensures capacity, business and emerging issues are addressed before services are adversely impacted.

Energy De-Regulation. Alberta's restructured electricity and natural gas markets have presented consumers with choices and have created some concerns. In order to address price and billing issues for residential, rural and small business operators, the Ministry must educate consumers and advocate their concerns.

A Growing Economy. Alberta has the youngest provincial population and more people are moving to our province. While the economic climate outside Alberta has seen substantial fluctuations, within the province construction is increasing and many new businesses are being established. Although this brings prosperity, it also increases the need for our products/services, and places significant pressure on the systems and resources that support the land titles, motor vehicles, and personal property registries. Human resource development and information system renewal strategies must be evaluated to ensure they provide sufficient support to maintain high client satisfaction rates, generate revenue, support law enforcement activities, and continue to ensure the security and integrity of personal information.

Privacy Legislation. Assisting organizations in complying with private sector privacy legislation will be complex as federal legislation will apply to Alberta businesses exchanging personal information across a border. Jurisdictional complexities will need to be worked out, and there is a possibility that the federal legislation will be amended after a review scheduled for 2006.

Alternate Service Delivery. The Service Alberta initiative continues to be implemented on an incremental basis while seeking opportunities to interact and partner with the private sector and other levels of government. Other opportunities may exist to capitalize on the Ministry's existing (registry agent) service delivery network by partnering to provide services on behalf of other ministries.

Alberta Corporate Service Centre is exploring new private sector partnership opportunities to enhance its service delivery capabilities, both in terms of best practices and expanded customer base.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. **Security and Privacy of Information.**

   Linkage: Goals 1 and 5

   - Albertans expect their government to provide the ability to exchange information and conduct transactions in a secure environment while ensuring their personal information remains protected. Government Services plays a key role in this respect, because our five registry systems hold significant amounts of personal information. Personal identity has become a valued commodity, and is as susceptible to fraud and theft as any other valuable possession. As a result of implementing the new driver's licence, Albertans are benefiting from increased protection against this threat. As well, Government Services will develop and implement initiatives to enhance licence security and ensure Albertans' identity and personal information is secure. The Ministry is also responsible for legislation that protects the personal information of Albertans, whether they are dealing with government or the private sector. Support is provided to public bodies administering the *Freedom of Information and Protection of Privacy Act* as well as to organizations subject to the new *Personal Information Protection Act*.

2. **Service Excellence.**

   Linkage: All Goals

   - We will continue to look for new and better ways to inform Albertans about government information and services, and to promote easy access. This may include adding further on-line information and services, increasing availability or better communicating convenient service locations to Albertans. We will also explore partnerships with other ministries and work to develop government-wide standards for service excellence.
   - As leaders of improvement initiatives on behalf of government, we must be prepared to achieve high standards for the delivery of key services. The Ministry's ongoing commitment to service excellence is demonstrated by the high client satisfaction rates we have targeted for services delivered to Albertans.

3. **Technology.**

   Linkage: Goal 1

   - The multi-year process to renew our complex registry systems will be underway for the duration of the business plan and will position us to keep pace with growing demand, take advantage of improved security, address marketplace changes and respond to requests for improved service delivery. A key component of this renewal will be to ensure new systems are compliant with Government of Alberta standards (e.g., Government of Alberta Enterprise Architecture, and Information and Communication Technology Initiative) and capitalize on common technology.

4. **Advocacy of Consumer Interests.**

   Linkage: Goal 3

   - In addition to our ongoing efforts to protect Albertans from unfair business practices, the Ministry has established a Utilities Consumer Advocate to ensure that Albertans' questions and complaints about the restructured electricity and natural gas markets are heard and effectively addressed. We will advocate through our ability to interpret utility policy, influence its direction and offer advice on how it affects the retail utility consumer. The Utilities Consumer Advocate commits to researching policy and gathering trends of consumer concerns.

SERVICE EXCELLENCE VALUES AND PRINCIPLES

We employ a team of skilled, confident, and competent staff who deliver quality services for the benefit of our clients. To succeed in our mission, the following core values and principles underlie our planning and day-to-day operations:

- **Leading Edge Service Delivery.** By promoting a ministry culture that encourages the pursuit of innovation we strive to capitalize on the knowledge and skills of our highly committed staff. We also recognize that effective, efficient service delivery can be achieved by working with partners, both internal and external to government. In addition, by leveraging our investment in advanced information technology, unique opportunities are realized to improve access to programs and services and enhance security and privacy protection.
- **Client Driven**. We seek input from our clients and stakeholders regarding service delivery and other decisions affecting their personal and business activities. We strive to remain responsive to their needs while focusing on continuous improvement, best practices, and advanced service delivery.
- **Accountability.** We understand and take responsibility for our scope of authority to make decisions. We set performance standards and measure the quality of our results, whether for services we deliver directly, or through external service providers.
- **Professionalism.** Our commitment to service excellence extends to all areas of the Ministry and its partners, and we strive to provide timely and accurate information and services in an environment based on respect, honesty and integrity.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Support a fair and effective marketplace in Alberta.

GOAL ONE

Efficient licensing and registration services.

What it means This goal reflects our commitment to provide secure, accessible, accurate, and competitively priced licensing and registry services to Albertans:

- motor vehicles
- land titles
- charitable organizations
- personal property
- vital statistics
- corporate registry
- business licences

Demand for our services continues to grow and over 35 million transactions are processed each year for the general public, business community, law enforcement agencies, municipalities, and other government departments. This level of activity puts significant pressure on registry resources and the extensive information technology and communication infrastructure. The multi-year initiative to renew our registry systems is therefore critical in ensuring we can continue to meet customer expectations and provide quality services through government offices, online access, and a province-wide network of over 200 private registry agents.

A comprehensive legislative and accountability framework is also important in supporting our service delivery. Given the ever-changing business environment, it's important that our registry-related legislation be dynamic and meets the needs of Albertans. As well, we must define service standards, evaluate performance, and pursue continuous improvement initiatives for all delivery channels, particularly the private agent network.

Strategies

- Continue renewal of the registry systems to accommodate increasing service volumes, improve client access and convenience and enable service delivery concepts for Service Alberta.
- Develop strategies to meet increasing demand for licensing and registration services.
- Coordinate initiatives to secure the identity and personal information of Albertans (i.e., driver's licences, birth certificates, change of name).
- Develop and implement a vision for the evolution of the private agent network in Alberta.
- Design and implement enhanced compliance/accountability mechanisms to promote higher standards in private agent service delivery.
- Investigate emerging legislative issues and introduce and/or amend legislation as appropriate (e.g., law of property and change of name).
- Explore partnerships and develop opportunities to implement innovative service delivery.
- Implement new motor vehicle registry access standards.
- Support initiatives pertaining to automobile insurance reform in Alberta.

Performance Measures	**Last Actual**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
Percentage of Ministry Call Centre clients (registry-related) who are "satisfied overall" with the quality of service.	75%[1]	80%	80%	80%
Percentage of customers who are "satisfied overall" with services provided by:				
• Registry Agents.	85%[1]	85%	85%	85%
• Land Titles Offices.	65%[1]	80%	80%	80%
Client satisfaction with online registry services.	Revised Methodology - Baseline to Be Established			
Comparison of Alberta's fees to other jurisdictions on:	Compared to National Average[2]			
• Renew registration on a Ford Taurus sedan.	11% below	Remain Competitive with the National Average.		
• Renew a driver's licence.	1% above			
• Register a $150,000 house with a $140,000 mortgage.	83% below			
• Collection Agency Licence.	33% below			
• Direct Selling Licence.	33% below			

[1] Based on 2003-04 preliminary results.

[2] Results are based on 2002-03 data.

GOAL TWO

Informed consumers and businesses, and a high standard of marketplace conduct.

What it means

An effective legislative framework is critical in supporting a dynamic and growing marketplace in Alberta. Strong legislation such as the *Fair Trading Act* contributes to a prosperous economy as consumers and businesses can be confident that they are conducting business transactions in a fair environment.

Marketplace awareness initiatives are targeted to both buyers and sellers, with a focus on educating them on their rights and obligations and empowering them to help themselves. Various educational materials are provided in a plain language format, including tip sheets and news releases that alert the public to inappropriate business conduct and/or fraud. As well, the Ministry's Call Centre responds to inquiries and complaints.

Through monitoring business trends, marketplace practices are proactively reviewed (e.g., test shopping to determine if a business is complying with legislation). A targeted investigative strategy is employed to focus on the most serious violations, including deceptive marketing practices and offences against vulnerable consumer groups such as seniors and youths. In addition, periodic inspections of regulated businesses and trust accounts are conducted.

Partnerships with other organizations enhance our awareness and protection initiatives. For example, information is shared with law enforcement agencies, government entities, consumer groups, and business organizations through national and international cooperative enforcement programs. As well, the Ministry monitors and supports various regulatory agencies that administer consumer legislation in key industries (i.e., Real Estate Council of Alberta, Alberta Funeral Services Regulatory Board, Alberta Motor Vehicle Industry Council, and Credit Counselling Services of Alberta).

Strategies

- Develop and/or modernize consumer legislation (i.e., *Fair Trading Act*, *Residential Tenancies Act*, and life leases), to address marketplace issues and promote cross-jurisdictional harmonization.
- Implement innovative consumer awareness initiatives that promote ethical business practices and conscientious consumers.
- Pursue national and international cooperative enforcement and consumer protection initiatives.
- Develop strategies for addressing vehicle theft in conjunction with law enforcement agencies, government entities and the private sector.

Performance Measures	**Last Actual (2003-04)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
Percentage of Ministry Call Centre clients (consumers-related) who are "satisfied overall" with the quality of service.	76%	80%	80%	80%
Percentage of clients who are "satisfied overall" with the quality of investigative services.	76%	80%	80%	80%
Percentage of clients who are satisfied with the quality of tip sheet information.	77%	85%	85%	85%

GOAL THREE

Effective advocacy of Albertans' interests in the restructured utilities market.

What it means

A Utilities Consumer Advocate has been established to represent the interests of residential, rural, and small commercial customers in Alberta's restructured utility markets.

The Advocate will act as a central point of contact to provide Albertans with information and assistance. Key responsibilities are to promote understanding of the restructured electricity and natural gas markets and to ensure that Albertans' concerns and complaints are heard and effectively addressed. To this end, the Advocate works with the Utilities Consumer Advisory Council to seek input/feedback on the needs and expectations of Albertans. This feedback enables the Advocate to represent Albertans while working towards improvements in the regulatory process and industry policy.

Strategies

- Through co-operation with utility service providers, government departments, regulatory agencies and other key stakeholders, influence improvements to the regulatory process to safeguard consumer interests and gain operational efficiencies and effectiveness.
- Influence changes to utility service provider policy and practice by recommending appropriate business practices tailored to meet and protect the needs of the retail utility consumer.
- Research other jurisdictions, conduct research on electricity prices, and develop a process to track and trend consumer issues/concerns by convening focus consumer groups to gather public input.
- Increase awareness of the roles and services of the Utilities Consumer Advocate.
- Promote the accountability of utility companies and ensure consumer questions and concerns are addressed in a timely, accurate, and fair manner.

Performance Measures	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of customers "satisfied overall" with services.	New	60%	70%	80%
Percentage of Albertans aware of the role/services provided by the Utilities Consumer Advocate.	New	50%	70%	90%
Percentage of interveners expressing satisfaction with the cooperative protocol utilized by the Utilities Consumer Advocate.	New	60%	70%	80%

Core Business Two: Lead service improvement initiatives on behalf of the Government of Alberta.

GOAL FOUR 4

A service environment that enables Albertans to access government information and services in a manner of their choice.

What it means Service Alberta is a key administrative initiative of the Government of Alberta that enables Albertans to access government information and services in a manner of their choice.

Specific objectives are to provide Albertans with accessible, integrated and quality services from the Government of Alberta. On full implementation of Service Alberta, citizens will be able to easily find and access the information and services they need. They will receive seamless, secure, and consistent service across all delivery channels. Albertans' service needs and expectations will be addressed in a positive manner, based on choice, respect, and timeliness.

Strategies

- Promote awareness of Service Alberta and how it can help Albertans.
- Undertake customer feedback processes to ensure service delivery and access continues to meet Albertans' needs.
- Work with ministries to develop cross-government customer service standards.
- Develop a long-term plan for enhancing the service excellence culture across the Alberta public service.
- Work with ministries to facilitate greater integration between ministry and Service Alberta contact centres.
- Work with Ministries to further enhance the content and functionality of the Service Alberta Web site, consistent with Albertans' service expectations and needs.
- Monitor Albertans' satisfaction with over-the-counter services and identify strategies to address any issues identified.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of Albertans who are satisfied with access to Government of Alberta services and information.	74%	85%	85%	90%
Percentage of Albertans who are aware that Government of Alberta information and services are available through the Service Alberta toll-free number and/or Web site.	45%	70%	90%	90%

GOAL FIVE 5

Effective management of, and access to information, and protection of privacy.

What it means

Government Services guides ministries in delivering their programs by providing a corporate framework for information management and access, protection of privacy, regulatory evaluation and policy review.

Specifically, the Ministry strives to ensure that access and privacy legislation is effective and support is provided to Government of Alberta entities, local public bodies and private sector organizations that administer the legislation.

Other vital information management services include administering the Records Management Regulation and approving ministry records retention and disposition schedules through the Alberta Records Management Committee. As well, effective information management is promoted through the provision of advice, information resources and training.

Government regulations are reviewed regularly to simplify and/or eliminate regulations. Support is also provided to the Government Rules Review Committee as it evaluates policies and rules.

Strategies

- Provide advice and resource materials to Alberta organizations as they implement the *Personal Information Protection Act*.
- Work with other jurisdictions to foster harmonization of private sector privacy rules (e.g., legislated federal review of the *Personal Information Protection and Electronic Documents Act*).
- Support Alberta Health and Wellness in its legislated review of the *Health Information Act* to ensure harmonization with both the *Freedom of Information and Protection of Privacy Act* and *Personal Information Protection Act*.
- Partner with the Corporate Chief Information Officer to implement the recommendations of the Information Management Framework for Government (e.g., the development of policies/standards for electronic information).

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of FOIP requests completed by government public bodies within 60 days or less.	92%	90%	90%	90%
Percentage of FOIP requests handled without complaint to the Information and Privacy Commissioner.	92%	90%	90%	90%

GOAL SIX

Economical and responsive delivery of shared support services.

What it means

The Shared Services Delivery Improvement Strategy is one of the Government of Alberta's key administrative initiatives that provides cost effective and efficient administration, finance, human resources and information technology services on a cost recovery basis to all ministries. As well, other support services such as supply management, telecommunications, and Records Centre operations are provided corporately, rather than charged back to individual ministries.

In order to succeed as a leader in value-added shared services, the initiative must promote the corporate approach within the Government of Alberta and pursue continuous improvement initiatives. Mutually beneficial customer and business relationships are critical and are realized through effective partnering, negotiation and issues resolution.

Strategies

- Define and implement best practices for service delivery, while maintaining a commitment to professionalism and customer service.
- Pursue opportunities to further optimize service delivery costs and assist ministries in effectively managing service demands.
- Explore private sector partnership opportunities to maximize service delivery benefits.
- Identify primary utilization factors for services as a basis for developing costs and cost savings measures.

Performance Measures	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of ministries in which the Primary Utilization Factors Model has been piloted.	New	80%	90%	100%
Percentage of ministries that have piloted the Primary Utilization Factors Model and rate it satisfactory.	New	80%	85%	90%
Number of service specific assessments reviewed and reported.	New	5	5	5

MINISTRY SUPPORT ACTIVITIES

In order to optimize the Ministry's performance, staff engage in the following support activities:

- Maximizing our technology infrastructure while aligning with Government of Alberta information and communication standards and initiatives.
- Maintaining current emergency preparedness strategies and business resumption plans to ensure that the Ministry has an effective crisis management model.
- Reviewing our regulations on an ongoing basis to simplify them and ensure they meet current needs.
- Promoting accurate, concise, and timely communication with our clients and stakeholders.
- Providing expertise and leadership in planning, research, financial management, and administration.
- Establishing and implementing human resource strategies and initiatives that are aligned with the Ministry's business plan and the Corporate Human Resource Plan (e.g., employee wellness and professional development, recognition, and succession planning).
- Providing legal advice and guidance in support of Ministry programs and services.

2004-07 PERFORMANCE MEASURES SUMMARY

CORE BUSINESS 1 - SUPPORT A FAIR AND EFFECTIVE MARKETPLACE IN ALBERTA.

Goal 1

Efficient Licensing and Registration Services.

Measure	Last Actual	2004-05 Target
Client Satisfaction with:		
• Call Centre	75%[1]	80%
• Registry Agents	85%[1]	85%
• Land Titles	65%[1]	80%
• Online Registry Services	Revised methodology - baseline to be established	
Licence and Registration Fee Comparisons[2]		
• Car Registration	11% ↓	Competitive with National Average
• Driver's Licence	1% ↑	
• House/Mortgage Registration	83% ↓	
• Collection Agency	33% ↓	
• Direct Sellers	33% ↓	

Note: ↓ (Below) ↑ (Above) Average

Goal 2

Informed Consumers and Businesses, and a High Standard of Marketplace Conduct.

Measure	Last Actual	2004-05 Target
Client Satisfaction with:		
• Call Centre	76%[1]	80%
• Investigations	76%[1]	80%
• Tip sheets	77%[1]	85%

Goal 3

Effective Advocacy of Albertans' Interests in the Restructured Utilities Market.

Measure	Last Actual	2004-05 Target
Client Satisfaction with Services	New	60%
Awareness of UCA* Role and Services	New	50%
Satisfaction with UCA* Cooperative Protocol	New	60%

* Utilities Consumer Advocate

CORE BUSINESS 2 - LEAD SERVICE IMPROVEMENT INITIATIVES ON BEHALF OF THE GOVERNMENT OF ALBERTA.

Goal 4

A Service Environment that Enables Albertans to Access Government Information and Services in a Manner of Their Choice.

Measure	Last Actual	2004-05 Target
Satisfaction with Access to GOA	74%[2]	85%
Awareness that GOA Information is Available Through Service Alberta	45%[2]	70%

Goal 5

Effective Management of, and Access to Information, and Protection of Privacy.

Measure	Last Actual	2004-05 Target
FOIP Requests Completed in 60 Days	92%[2]	90%
FOIP Requests Completed Without Complaint	92%[1]	90%

Goal 6

Economical and Responsive Delivery of Shared Support Services.

Measure	Last Actual	2004-05 Target
Ministries piloting the Primary Utilization Factors Model	New	80%
Satisfaction with the Primary Utilization Factors Model	New	80%
Service specific assessments reviewed and reported	New	5

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[1] Based on 2003-04 preliminary results.

[2] Results are based on 2002-03 data.

EXPENSE BY CORE BUSINESS
(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Fair and Effective Market Place:						
Licensing and Registration	51,861	59,044	60,619	63,294	64,066	64,852
Consumer Services	7,905	8,579	9,032	9,309	9,226	9,226
Utilities Consumer Advocate	-	-	2,682	4,429	4,649	4,879
Service Improvement Initiatives:						
Service Alberta	791	948	915	940	957	957
Government Support	2,438	2,795	2,790	2,697	2,715	2,715
Alberta Corporate Service Centre	156,479	153,908	160,214	154,253	154,163	154,163
MINISTRY EXPENSE	219,474	225,274	236,252	234,922	235,776	236,792

MINISTRY STATEMENT OF OPERATIONS
(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Premiums, Fees and Licences						
Motor Vehicle Licences	248,147	261,786	256,711	269,682	274,926	282,608
Land Titles	37,706	36,134	37,859	36,854	36,669	36,857
Other	18,381	19,989	19,081	19,548	20,020	20,518
Other Revenue						
Alberta Corporate Service Centre Services	146,963	142,287	148,600	142,403	142,313	142,313
Utilities Consumer Advocate	-	-	2,647	4,392	4,612	4,842
Other	820	259	362	286	236	235
MINISTRY REVENUE	452,017	460,455	465,260	473,165	478,776	487,373
EXPENSE						
Program						
Ministry Support Services	15,570	16,575	17,009	17,310	17,310	17,310
Consumer Services and Land Titles	15,316	16,593	16,862	18,489	18,658	18,658
Service Alberta and Alberta Registries	14,277	18,578	18,674	18,258	18,307	18,347
Government and Program Support Services	2,853	3,195	3,163	3,260	3,260	3,260
Strategic Information Technology Services	14,779	16,361	16,777	18,890	19,396	20,142
Utilities Consumer Advocate	-	-	2,627	4,370	4,590	4,820
Alberta Corporate Service Centre	156,205	153,623	159,936	153,974	153,884	153,884
Statutory Programs and Valuation Adjustments	474	349	1,204	371	371	371
MINISTRY EXPENSE	219,474	225,274	236,252	234,922	235,776	236,792
Gain (Loss) on Disposal of Capital Assets	(400)	-	-	-	-	-
NET OPERATING RESULT	232,143	235,181	229,008	238,243	243,000	250,581

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	452,017	460,455	465,260	473,165	478,776	487,373
Inter-ministry consolidation adjustments	(146,963)	(141,819)	(148,112)	(141,915)	(141,825)	(141,825)
Consolidated Revenue	305,054	318,636	317,148	331,250	336,951	345,548
Ministry Program Expense	219,474	225,274	236,252	234,922	235,776	236,792
Inter-ministry consolidation adjustments	(146,963)	(141,819)	(148,112)	(141,915)	(141,825)	(141,825)
Consolidated Program Expense	**72,511**	**83,455**	**88,140**	**93,007**	**93,951**	**94,967**
Gain (Loss) on Disposal of Capital Assets	(400)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	232,143	235,181	229,008	238,243	243,000	250,581

Health and Wellness

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Gary G. Mar

Gary Mar, *Minister of Health and Wellness*
March 4, 2004

THE MINISTRY

The Ministry is comprised of the Department of Health and Wellness and the Alberta Alcohol and Drug Abuse Commission (AADAC). This Business Plan sets out strategic changes, improvements and activities for both components of the Ministry in the three years ahead. The Ministry Business Plan guides the department operational plans. Supplementary information on AADAC's business plan is in the appendix. This Business Plan is also a framework for development of multi-year performance agreements and plans by health authorities.

Financial information is consolidated in the attached Ministry Statement of Operations. A summary of progress on this Business Plan will be reported in the 2004-05 Annual Report for Alberta Health and Wellness. A more detailed description of how the health system in Alberta works today can be found on our Web site at **www.health.gov.ab.ca/public/document/health_system_works.htm**.

LINK TO GOVERNMENT STRATEGIC BUSINESS PLAN

PROVINCIAL OPPORTUNITIES FOR THE NEXT TWENTY YEARS

1. Unleashing Innovation
2. Leading in Learning
3. Competing in a Global Marketplace
4. Making Alberta the Best Place to Live, Work and Visit

GOVERNMENT OF ALBERTA CORE BUSINESSES

People...
improving the quality of life in Alberta for individuals and their families through the government's priorities for health, education, our children, those in need and Aboriginal Albertans.

Prosperity...
protecting the quality of life in Alberta through the government's priorities for our economy, resources, local government sector, and the province's financial and intergovernmental position.

Preservation...
reflect the government's priorities for community safety, the environment, and our natural, historical and cultural resources.

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Government Goals Relating to Health

Albertans will be healthy.
Albertans will be well prepared for lifelong learning and work.
Alberta's children and youth will be supported in reaching their potential.
Albertans will be self-reliant and those unable to provide for their basic needs will receive help.
Aboriginal communities and people in Alberta will have improved social and economic circumstances.
Alberta will have an effective, responsive and well-managed local government sector.
Alberta will have a prosperous economy.
Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.
Alberta will be a fair and safe place to work, live and raise families.
The high quality of Alberta's environment will be sustained.
Alberta will have effective and sustainable government-owned and supported infrastructure.

▼

Core Businesses for Ministry of Health and Wellness

Encourage and support healthy living.
Ensure quality health services.
Lead the health system.

Goals for Health and Wellness

Albertans choose healthier lifestyles.
Albertans' health is protected.
Improved access to health services.
Improved health service outcomes.
Health system sustainability.
Ministry organizational excellence.

VISION

Healthy and well Albertans

MISSION

Provide leadership and work collaboratively with partners to assure the delivery of quality affordable health services and wellness programs to help Albertans be healthy.

CORE BUSINESSES

Core Business 1: Encourage and support healthy living.
- Goal 1 - Albertans choose healthier lifestyles.
- Goal 2 - Albertans' health is protected.

Core Business 2: Ensure quality health services.
- Goal 3 - Improved access to health services.
- Goal 4 - Improved health service outcomes.

Core Business 3: Lead the health system.
- Goal 5 - Health system sustainability.
- Goal 6 - Ministry organizational excellence.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

This is an exciting time for Alberta's health system. Recent reforms in key areas laid the foundation for improved accessibility, integration and cost-effectiveness. The Premier's Advisory Council on Health proposed significant change in its report released January 2002. That report is the blueprint to strengthen and sustain Alberta's health system. Partnerships with health authorities, service providers and other stakeholders have given rise to innovative ways to increase effectiveness. At the same time, our partnerships continue to improve the accessibility and quality of health services. The 2004-07 Government of Alberta Strategic Business Plan acknowledges Albertans want and expect to be full participants in governing the province and the services it provides. Community governance is considered a normal operating procedure.

Beginning in the fiscal year 2003-04, the Ministry made important changes to the strategic alignment, accountability and performance of the nine regional health authorities and two provincial boards. Multi-year performance agreements that include plans, expectations and performance measures will set out in clear terms the duties and obligations of the Minister and the health authorities. The performance agreements will focus on recommendations of key direction-setting documents such as the following:

- *A Framework for Reform.*
- *Healthy Aging: New Directions for Care.*
- *Going Further: Building on a Framework for Reform.*

The Ministry strives to provide a quality health system that is contemporary, responsive, affordable and well-managed. Initiatives proposed by the Premier's Advisory Council on Health have been integrated with most aspects of the Ministry's business, resulting in significant improvement to the foundation of Alberta's health system.

CHANGING POPULATION PROFILE

Alberta's population is growing and aging. By 2016, 10 to 14 per cent of Albertans will have reached age 65 or older. Alberta will need to offer more customized models of care, which will allow people to 'age-in-place'. A significant proportion of Albertans are Aboriginal with specific health needs. The challenge is to enhance the opportunities for all Albertans to optimize their personal health and wellness.

HEALTHY CHOICES AND OPPORTUNITIES

The health of individuals is influenced by the choices they make. The Government of Alberta Strategic Business Plan requires collaboration to positively influence the factors that lead to healthy human development.

TECHNOLOGICAL ADVANCES

Maintaining Alberta's leadership in health technology and innovation will benefit our future economy. Technological innovation creates opportunities to improve service delivery. The challenge will be to evaluate the cost and benefit of new technologies, including health outcomes.

HEALTH HUMAN RESOURCES

We need to pursue opportunities for collaboration with educational institutions to meet the health human resource need. Population changes will increase demand for all types of health services. New concepts in health human resource planning are being implemented to enhance health service delivery. The challenge is to ensure an appropriately skilled workforce will be available for the future.

PUBLIC HEALTH RISK MANAGEMENT

Alliances across governments will ensure Albertans benefit from best practices at the national and international level. Recent events such as Severe Acute Respiratory Syndrome (SARS) and West Nile virus have focused public awareness on our health system's preparedness and communications capacity for population health emergencies. The Ministry will continue to refine existing readiness plans.

SUSTAINABILITY

The Ministry will play a leadership role at provincial and national levels to maintain the necessary flexibility for creative and innovative local solutions. Health sustainability means investing in the health and wellness of the population over time using the human and financial resources available. The challenges bring opportunities to be innovative and flexible.

STRATEGIC PRIORITIES 2004-07

The Ministry strategic priorities for the next three years have been identified. These priorities are in addition to the important ongoing core activities of the Ministry.

1. Strengthen public health risk management capabilities.

Linkage: Goal 2

Albertans want to know that their health system is prepared and able to protect them from risks to their health. Recent events such as the outbreak of SARS and West Nile virus have reinforced the importance of strong public health programs. Albertans are partners in this effort. Key strategies for managing public health risks include:

Protect Albertans against communicable diseases
Strengthen and restructure system capacity to respond to public health issues and risks.

Protect Albertans from environmental health risks
Protect Albertans from health risks in the environment through education, regulatory enforcement and partnership with other agencies.

2. Enhanced health system sustainability.

Linkage:
Goals 1, 3, 4, 5 and 6

The long-term sustainability of Alberta's health system depends on it being contemporary, responsive, affordable and well-managed. Contemporary means adopting best practices based on evidence, using current and new technology and further developing an adaptable and progressive health workforce. Responsiveness means providing a wide range of choices to meet Albertans' changing and diverse health needs. Affordability means achieving the highest level of quality with available resources and balancing needs with other demands for services such as education. Well-managed means creating and maintaining partnerships, effective governance and management structures. Key strategies in support of sustainability include:

Cross-Ministry Health Sustainability Initiative
Enhance the sustainability of the health system now and in the future by strengthening policy integration and collaboration across Ministries.

Primary health care
Access to health services is an important issue for Albertans. Implementation of the agreement with the Alberta Medical Association and health authorities will enhance access to primary health care throughout Alberta. Albertans expect that services will be available when needed and provided in an effective and coordinated manner.

Community care
In many instances, community-based care has proven to be an effective alternative to high cost acute care provided in traditional hospital settings. By strengthening the capacity of community-based health service providers, Alberta seniors, persons with disabilities and those with mental health needs will be able to receive the care they need on a timely basis in their communities.

Alternate funding mechanisms
The future sustainability of Alberta's health system will depend on finding new ways of resourcing the growing list of health services and programs which people find to be of benefit and value in maintaining optimum health and wellness. Many of these extend beyond established *Canada Health Act* services.

Electronic health record
The continuous improvement of quality is an integral part of health service delivery in Alberta. The expansion of the electronic health record will improve quality by ensuring that health service providers have pertinent and accurate health information. This will result in more accurate diagnosis and treatment for better, safer patient care.

Health promotion and protection
Albertans want to take greater personal responsibility for their own health and wellness. Proper exercise and nutrition, combined with decisions that reduce personal health risks, will improve quality of life and long-term health outcomes and decrease demands on the health system.

Health workforce recruitment and retention
A quality health system requires a competent, progressive health workforce. Close co-operation among employers, health services providers and the education system is required to develop, attract and retain health professionals.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Encourage and support healthy living.

GOAL ONE

Albertans choose healthier lifestyles.

What it means Health and wellness are influenced by genetic factors, early childhood development, education, employment status and the environment. Albertans want to stay healthy and are willing to learn about healthy choices to improve their quality of life. Government can help by providing timely and accurate health information in a supportive environment.

Strategies

1.1 Provide health and lifestyle information to help people make healthy choices as encouraged by the *Healthy U Campaign* and the Framework for a Healthy Alberta.

1.2 Enable people to make appropriate use of the health system through counselling and information services like HealthLink.

1.3 Collaborate with other Ministries on initiatives to address the needs of children, youth, seniors, aboriginal communities and Albertans with disabilities or who are disadvantaged.

1.4 Ensure that addiction information, prevention and treatment is available province-wide.

Performance Measures	Last Actual (year)	Target (2004-07)
1.A Self-reported health status " excellent, very good or good health"		
Age 18-64	90% (2003)	90% (2005)
Age 65+	80% (2003)	80% (2005)
1.B Per cent of Albertans who smoke	28% (2000-01)	25% (2004-05)
1.C Per cent of Alberta youth (age 12-19) who smoke*	17.9% (2000-01)	15% (2006-07)
1.D Per cent of Albertans who are "active or moderately active"	52% (2000-01)	55% (2004-05)
1.E Per cent of Albertans with "acceptable" body mass index (BMI)	47% (2000-01)	50% (2004-05)
1.F Per cent of Alberta women who consumed alcohol during pregnancy	3.9% (2000-01)	2.5% (2004-05)**

* Also one of AADAC's performance measures.

** Target is 0 per cent by 2012.

GOAL TWO

Albertans' health is protected.

What it means

As public health issues like SARS gain attention worldwide, Albertans need to know their health system is ready and able to protect their health. Alberta Health and Wellness, in collaboration with health authorities and other partners, will continue to protect Albertans from disease and injury.

Strategies

2.1 Protect Albertans against communicable diseases by strengthening the health system's capacity to respond to public health issues and risks, including immunization and implementation of Alberta's pandemic influenza response plan as necessary.

2.2 Protect Albertans from environmental health risks through education, environmental monitoring, regulatory compliance and enforcement in partnership with other Ministries.

2.3 Collaborate with other Ministries to ensure safe and secure drinking water for Albertans.

2.4 Reduce suicide and the risk of serious injury through education and targeted interventions in collaboration with other agencies.

2.5 Develop networks and initiatives that improve access to disease screening and prevention services (e.g., diabetes).

Performance Measures	Last Actual (year)	Target (2004-05)
2.A Childhood immunization coverage rates:		
Diphtheria, tetanus, pertussis, polio, Hib	78% (2001)	88% (2005)
Measles, mumps, rubella	87% (2001)	98% (2005)
Pneumococcal and meningococcal	New	97% (2005)
2.B Per cent of seniors who have received the recommended annual influenza (flu) vaccine	66% (2002-03)	75% (2004-05)
2.C Mortality rates for injury and suicide (per 100,000)	50 (2001)	45 (2004)
2.D Screening rate for breast cancer per cent of women age 50 - 69 receiving screening mammogram every two years	71% (2000-01)	75% (2004-05)

Core Business Two: Ensure quality health services.

GOAL THREE

Improved access to health services.

What it means Albertans expect health services will be accessible where and when needed. Working with health authorities and service providers, Alberta Health and Wellness sets access standards for the health system. Improved access includes standards for wait times, geographic access and supports for choice in health services. These standards and their targets are as interconnected as the health system itself, and any target affects other health services.

Strategies

3.1 Develop and implement access standards for selected services and the electronic booking system for the province.

3.2 Expand participation in Alberta's Electronic Health Records.

3.3 Work tri-laterally with the Alberta Medical Association and health regions to implement changes to improve primary health care:

- 24 hours a day, seven days a week access to primary care services;
- greater use of multi-disciplinary teams;
- improved coordination and integration with other health care services;
- increased emphasis on health promotion, disease and injury prevention, including chronic disease management (e.g., diabetes).

3.4 Ensure appropriate access to health services in rural and remote areas.

3.5 Develop and implement guidelines for emergency health, trauma services and obstetrical services.

3.6 Promote options for continuing care that allow Albertans to 'age-in-place.'

3.7 Complete Broda report implementation through strategies focused on:

- quality of long-term care services;
- coordinated access to long-term care services; and
- consolidation and modernization of legislation relevant to long-term care.

3.8 Protect Albertans from catastrophic drug costs.

Performance Measures	Last Actual (2003)	Target (2005)
3.A Regional Health Authority achievement of targets based on clinical urgency		
Hip replacement	New	To be determined*
Heart surgery	New	To be determined*
Cancer radiation (breast & prostate)	New	To be determined*
MRI	New	To be determined*
3.B Number waiting for long-term care facility placement:		
In acute hospital	340	340 - No improvement
Urgent in community	457	457 - No improvement
3.C Ratings of ease of access to health services		
Physician services	86%	86% - Maintain
Hospital services	72%	72% - Maintain

* Measures and targets will use Wait List Registry data. Targets under development will take into consideration clinical factors, available resources and impacts on other areas within the health system.

GOAL FOUR

Improved health service outcomes.

What it means Albertans expect the best possible care and outcomes every time they use the health system. As part of its leadership and assurance role, the Ministry establishes quality standards for safety, accessibility and effective use of resources. This role also includes ensuring compliance. The Ministry continually updates standards and develops new initiatives in response to technological advances, demographic changes and other factors.

Strategies

4.1 Promote quality standards for health services, such as patient safety.

4.2 Use information from the Health Quality Council of Alberta to improve performance of Alberta's health system.

4.3 Help Albertans with chronic health conditions maintain optimum health through appropriately managed and coordinated care.

4.4 Ensure Albertans receive health services from the most appropriate facilities or providers.

4.5 Refine mechanisms to deal with health care concerns and complaints.

Performance Measures	Last Actual (year)	Target (2002-07)
4.A Ratings of quality of care received:		
Overall	85% (2003)	85% - Maintain (2004)
Hospital	83% (2003)	83% - Maintain (2004)
4.B Per cent of persons who have received a service who are satisfied with the way the service was provided	87% (2003)	90% (2005)
4.C Success in treating people with chronic conditions in their communities - Ambulatory Care Sensitive Conditions hospitalization rates* (per 100,000, age standardized)	460 (2000-01)	460 - No improvement (2004-05)
4.D Heart attack survival rate (30 day survival in hospital) (three year average for data)	90% (1998-2001)	92% (2002-05)
4.E Satisfaction with response to complaint about health services	33% (2002)	50% (2007)

* Reduced hospitalization rates for chronic conditions like asthma, diabetes, depression, hypertension, neurosis, and alcohol and drug dependencies.

Core Business Three: Lead the health system.

GOAL FIVE

5 Health system sustainability.

What it means

Alberta's complex health system is challenged by continuous change, rising costs, steady growth and increased public expectations. A sustainable health system must meet these challenges today and in the future while remaining affordable to the taxpayer. Maintaining quality and public confidence while slowing the growth of provincial health care expenses in relation to provincial revenues are key requirements for a sustainable health system. Attaining health system sustainability requires the collaboration of stakeholders and especially the Alberta public who use the system. Public communication and education strategies under Goal 1 will help Albertans become more effective partners in managing public health care. Collaboration with Alberta Infrastructure is needed to ensure Alberta's infrastructure supports health and wellness service delivery.

Strategies

System Management

5.1 Lead the Health Sustainability Initiative, which strengthens collaboration, integration and coordination across government ministries to enhance the sustainability of the public health system.

5.2 Provide leadership in federal-provincial relations to maintain Alberta's ability to meet local health needs.

5.3 Collaborate with health authorities and other partners on integrated policy and planning initiatives.

5.4 Implement multi-year performance agreements with health authorities that promote innovation, collaboration and set out performance expectations and deliverables.

5.5 Collaborate to evaluate alternative ways to finance programs not covered by the *Canada Health Act*, including cost-sharing approaches for a wide range of services.

Health Workforce

5.6 Work with key stakeholders on plans and initiatives, such as the Rural Physician Action Plan, to educate, recruit and retain the needed health workforce.

5.7 Increase flexibility of the health workforce within the provisions of the *Health Professions Act*.

Technology

5.8 Improve processes to evaluate effectiveness and cost and coordinate implementation of new health care technologies, including drugs.

5.9 Implement integrated information systems, including the Electronic Health Record, that will support research and improve clinical and management decision-making.

5.10 Lead implementation of health information management best practices, including privacy and security.

5.11 Implement Information Management/Information Technology Governance Council processes and structures to guide health sector investments in strategic information management and information technology.

Performance Measures	Last Actual (year)	Target (2004-07)
5.A Public rating of health system overall	65% (2003)	65% - Maintain (2004)
5.B Physical Condition of Health Facilities - Per cent of publicly owned health care facilities in fair or good physical condition.	93% (2002-03)	94% (2004-05)
5.C Per cent increase in provincial health expenses in relation to the per cent growth in provincial revenues*		1.5 (2005-06)
5.D Funding for services provided		
Portion of provincial contribution	81% (2003-04)	75% (long-term)
Portion of federal contribution	19% (2003-04)	25% (long-term)
5.E Developing and maintaining workforce capacity	New	To be determined

* Target is 1.0 by 2012.

GOAL SIX

Ministry organizational excellence.

What it means Albertans want to know the Ministry is working efficiently and it will continue to provide excellent service. To do this, the Ministry must work in partnership to use available human, financial and technological resources in the best possible way and foster the culture of a learning organization.

Strategies

6.1 Improve the department's leadership and the quality of its contribution to Cross-Ministry Initiatives.

6.2 Deliver high quality information and client service through Ministry direct operated programs.

6.3 Cultivate a supportive work environment that encourages teamwork and shared responsibility.

6.4 Foster an organizational culture of learning and continuous improvement.

6.5 Maximize effectiveness of stakeholder networks and relationships.

6.6 Enhance Ministry performance through appropriate systems and tools.

Performance Measures	Last Actual (year)	Target (2004-05)
6.A Per cent of stakeholders reporting easy access to information	New	Improvement Target to be determined
6.B Per cent of Albertans reporting their inquiries to the department were handled satisfactorily	82% (2002)	85% (2004)
6.C Number of contacts regarding the Alberta Health Care Insurance Plan	New	Reduction (Decrease in number of contacts by increasing access to timely, quality information.) Target to be determined.
6.D Satisfaction rating among other Ministries with Alberta Health and Wellness' contribution to Cross-Ministry Initiatives	83% (2002)	90% (2004)
6.E Per cent of Alberta Health and Wellness employees* who report that the organization provides the support they need to acquire or develop knowledge and skills in their current jobs	76% (2003)	78% (2004)

* Refers to department staff only.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Encourage and Support Healthy Living	192,417	235,147	238,827	232,623	237,132	239,587
Ensure Quality Health Care Services	6,529,181	7,007,484	7,031,679	7,651,356	8,094,946	8,414,424
Lead the Health System	115,024	107,674	107,674	111,862	118,326	118,326
MINISTRY EXPENSE	6,836,622	7,350,305	7,378,180	7,995,841	8,450,404	8,772,337

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Governmental Transfers	104,987	196,380	196,380	209,274	219,059	221,797
Transfers from Government of Canada:						
Canada Health and Social Transfer	931,106	1,112,809	1,187,775	-	-	-
Canada Health Transfer	-	-	-	1,096,791	1,126,771	1,174,149
Health Reform Fund	-	99,200	99,676	150,497	353,810	458,377
Diagnostic / Medical Equipment Fund	-	49,600	49,584	49,640	49,690	-
Other	19,049	135,563	134,019	328,184	273,839	209,396
Premiums, Fees and Licences	936,749	934,459	946,508	950,999	964,985	979,181
Other Revenue	78,434	65,452	75,433	77,973	66,152	65,452
MINISTRY REVENUE	2,070,325	2,593,463	2,689,375	2,863,358	3,054,306	3,108,352
EXPENSE						
Program						
Regional Health Services	3,909,611	4,133,261	4,154,761	4,506,899	4,721,537	5,010,398
Diagnostic/Medical Equipment	-	49,600	49,600	49,640	49,690	-
Province-Wide Services	418,042	416,962	416,962	454,309	471,571	490,434
Total Regional and Province-Wide Health Services	4,327,653	4,599,823	4,621,323	5,010,848	5,242,798	5,500,832
Physician Services	1,381,887	1,455,700	1,454,600	1,521,600	1,652,000	1,718,080
Non-Group Health Benefits	413,066	416,887	455,587	531,623	547,485	551,363
Allied Health Services	62,456	75,575	75,575	77,500	87,119	87,119
Protection, Promotion and Prevention	141,727	172,459	174,859	176,518	178,712	178,489
Human Tissue and Blood Services	115,605	130,000	123,000	137,000	144,350	144,350
Other Provincial Programs	142,903	173,634	173,378	185,659	195,366	197,106
Alberta Alcohol and Drug Abuse Commission	57,798	59,963	61,243	66,157	68,592	71,330
Health Reform	13,586	98,226	70,474	115,745	154,455	146,939
Ministry Support Services	105,536	110,522	110,625	116,334	116,813	113,135
Systems Development	23,507	16,153	16,153	15,494	21,351	22,231
Health Care Insurance Premiums Revenue Write-Offs	50,218	41,363	41,363	41,363	41,363	41,363
Valuation Adjustments and Other Provisions	680	-	-	-	-	-
MINISTRY EXPENSE	6,836,622	7,350,305	7,378,180	7,995,841	8,450,404	8,772,337
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(4,766,297)	(4,756,842)	(4,688,805)	(5,132,483)	(5,396,098)	(5,663,985)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	2,070,325	2,593,463	2,689,375	2,863,358	3,054,306	3,108,352
Inter-ministry consolidation adjustments	(105,148)	(196,380)	(196,652)	(209,274)	(219,059)	(221,797)
Consolidated Revenue	1,965,177	2,397,083	2,492,723	2,654,084	2,835,247	2,886,555
Ministry Program Expense	6,836,622	7,350,305	7,378,180	7,995,841	8,450,404	8,772,337
Inter-ministry consolidation adjustments	(361)	(200)	(472)	(200)	(200)	(200)
Consolidated Program Expense	**6,836,261**	**7,350,105**	**7,377,708**	**7,995,641**	**8,450,204**	**8,772,137**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(4,871,084)	(4,953,022)	(4,884,985)	(5,341,557)	(5,614,957)	(5,885,582)

CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Encourage and Support Healthy Living	163	25,530	25,530	26,730	25,753	26,178
Ensure Quality Health Care Services	1,259	-	-	28,151	16,700	17,840
Lead the Health System	15,264	11,400	10,400	11,737	5,550	5,370
MINISTRY CAPITAL INVESTMENT	16,686	36,930	35,930	66,618	48,003	49,388

CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Protection, Promotion and Prevention	-	25,400	25,400	26,600	25,500	26,000
Alberta Alcohol and Drug Abuse Commission	163	130	130	130	253	178
Health Reform	1,259	-	-	28,151	16,700	17,840
Ministry Support Services	4,147	-	-	1,630	1,000	1,000
Systems Development	11,117	11,400	10,400	10,107	4,550	4,370
MINISTRY CAPITAL INVESTMENT	16,686	36,930	35,930	66,618	48,003	49,388

APPENDIX: THE ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION (AADAC)

The Alberta Alcohol and Drug Abuse Commission (AADAC) is mandated by the *Alcohol and Drug Abuse Act* to operate and fund services addressing alcohol, other drug and gambling problems, and to conduct related research.

AADAC is an agency of the Government of Alberta reporting to the Minister of Health and Wellness. The Commission is governed by a Board of up to 12 members appointed by the Lieutenant Governor in Council. The Chair is a Member of the Legislative Assembly. The Commission Board provides policy direction for AADAC's programs and services.

LINK TO THE GOVERNMENT BUSINESS PLAN

AADAC is directly linked to government as part of the Ministry of Health and Wellness and is referenced in the Ministry Business Plan under:

Goal 1: Albertans choose healthier lifestyles.
Strategy: Ensure that addiction information, prevention and treatment is available province-wide.

VISION

A healthy society that is free from the harmful effects of alcohol, other drugs and gambling.

MISSION

Making a difference in people's lives by assisting Albertans to achieve freedom from the harmful effects of alcohol, other drugs and gambling.

CORE BUSINESSES

Core Business 1: Information

Goal 1 - To inform Albertans about alcohol, other drug and gambling issues and AADAC services.

Core Business 2: Prevention

Goal 2 - To prevent the development of and reduce the harms associated with alcohol, other drug and gambling problems.

Core Business 3: Treatment

Goal 3 - To provide treatment programs and services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems.

STRATEGIC PRIORITIES 2004-07

One of the pillars of the Government of Alberta's 20-year strategic plan, Today's Opportunities, Tomorrow's Promise, is to make Alberta the best place to live, work and visit. AADAC contributes to this vision by delivering responsive and affordable programs and services that promote healthy living. Through review of external and internal challenges, AADAC has identified the following strategic priorities for 2004-07:

1. Ensure the ongoing sustainability of addiction services across the province.
2. Continue to emphasize youth programs and services for women and families.
3. Enhance research and information services to support prevention and treatment programming.
4. Maintain a priority on tobacco reduction in Alberta.
5. Continue to support employee wellness initiatives.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Information

GOAL ONE

To inform Albertans about alcohol, other drug and gambling issues and AADAC services.

What it means AADAC provides Albertans with current and accurate information on alcohol, other drugs and gambling. Information management and dissemination creates greater awareness of addiction issues and AADAC services, and is required to support the development and delivery of prevention and treatment programming. Information and resource materials are available through AADAC offices and clinics and are accessible on the AADAC web site at **www.aadac.com**.

Performance Measures	Last Actual (2002-03)	Target (2004-05)	Target (2005-06)	Target (2006-07)
Percentage of Albertans who are aware of AADAC services	89%	90%	90%	90%
Percentage of women who are aware that alcohol use during pregnancy can lead to life-long disabilities in a child	89%	90%	91%	92%

Core Business Two: Prevention

GOAL TWO

To prevent the development of and reduce the harms associated with alcohol, other drug and gambling problems.

What it means AADAC provides programs and services that are designed to prevent alcohol, other drug and gambling problems, and reduce the harms associated with substance abuse and problem gambling. Prevention strategies are intended to increase protective factors and reduce risk factors for the population as a whole, and within specific groups.

Performance Measures	Last Actual (2000-01)	Target (2004-05)	Target (2005-06)	Target (2006-07)
Prevalence of smoking among Alberta youth*	17.9%	16%	15.5%	15%
Prevalence of regular, heavy drinking among young Albertans	34%	33%	32%	31%

* also referred to under Goal 1 of the Ministry Business Plan.

Core Business Three: Treatment

GOAL THREE

To provide treatment programs and services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems.

What it means AADAC offers a broad continuum of treatment services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems. Treatment is aimed at adults, youth and their families who are displaying significant problems. Services include community-based outpatient counselling, day programs, crisis and detoxification services, short and long-term residential treatment and overnight shelter. Specialized programs are available for youth, women, Aboriginal Albertans, business and industry referrals and persons with opiate dependency or cocaine addiction.

Performance Measures	Last Actual (2002-03)	Target (2004-05)	Target (2005-06)	Target (2006-07)
Percentage of clients who are satisfied with treatment services	95%	95%	95%	95%
Percentage of clients reporting they were improved following treatment	94%	95%	95%	95%

Human Resources and Employment

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Clint Dunford, *Minister of Human Resources and Employment*
March 3, 2004

THE MINISTRY

The Ministry of Human Resources and Employment consists of five major entities: the Department of Human Resources and Employment, the Personnel Administration Office, the Alberta Labour Relations Board, the Appeals Commission for Alberta Workers' Compensation and the Workers' Compensation Board (WCB). Since the WCB is an independent employer-funded organization, its five-year Strategic Plan is not included with the Ministry's Business Plan.

LINK TO THE GOVERNMENT BUSINESS PLAN

The Ministry of Human Resources and Employment supports eight of the twelve Government of Alberta (GOA) Business Plan goals through the Ministry's core businesses and participation in cross-ministry initiatives:

1 - Albertans will be healthy

2 - Albertans will be well prepared for lifelong learning and work*

3 - Alberta's children and youth will be supported in reaching their potential

4 - Albertans will be self-reliant and those unable to provide for their basic needs will receive help*

5 - Aboriginal communities and people in Alberta will have improved social and economic circumstances

7 - Alberta will have a prosperous economy*

8 - Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada*

9 - Alberta will be a fair and safe place to work, live and raise families*

* The Government of Alberta 2004-07 Business Plan links Ministry spending to these goals.

VISION

Albertans have a fair, safe and supportive environment in which to live and work.

MISSION

To foster fair, safe and productive workplaces, enable individuals to succeed in a changing workforce, and assist people in need by providing a continuum of services, programs and information.

CORE BUSINESSES

Core Business 1: People Investments

Goal 1 - Low-income Albertans can meet their basic needs

Core Business 2: Skills Investments

Goal 2 - Albertans have the skills, supports and information they need to succeed in the labour market

Goal 3 - Alberta has a productive workforce that meets the needs of the economy today and in the future

Core Business 3: Workplace Investments

Goal 4 - Alberta has a fair, safe and healthy work environment

Core Business 4: Strategic Leadership of Human Resource Management in the Alberta public service

Goal 5 - An integrated, effective and enabling human resource management framework in the Alberta public service

Goal 6 - A strong public service that is positioned to meet emerging and diverse government goals

Goal 7 - Safe and healthy workplaces in the Alberta public service

Core Business 5: Labour Relations - Adjudication, Investigations and Mediation

Goal 8 - The Alberta labour relations community receives timely, effective and efficient services

Goal 9 - Promote use of Alternative Dispute Resolution methods to solve issues before reaching formal hearings

Goal 10 - Make clear and timely decisions for the parties to quickly implement the resolution

Core Business 6: Appeal Services for Workers' Compensation Decisions

Goal 11 - Provide a timely appeal service

Goal 12 - Provide fair and independent decisions on appeals

Goal 13 - Provide accessible and transparent appeal services

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The 2004-07 Business Plan identifies the following significant challenges facing the Ministry:

Department: Alberta is expected to enjoy continued economic growth, low unemployment, and high labour force participation rates. Strong economic growth is good but typically leads to labour shortages, wage demands and more pressure on the workplace. At the same time, some industries are being affected by unanticipated events, such as a single case of Bovine Spongiform Encephalopathy (BSE) being found in Alberta, resulting in the need for labour market adjustments and supports for transitions. The social fabric of Alberta is changing. The fast-growing population is aging and becoming more ethnically diverse with increased immigration. There continues to be a need for greater labour force participation by groups under-represented in the workforce such as Aboriginal people, persons with disabilities, as well as low-income Albertans. The Government of Alberta continues to emphasize making government more efficient and effective and is striving to ensure the long-term sustainability of its programs and services.

Personnel Administration Office: The Government's vision for the Alberta public service is "The Alberta public service is respected for its attitudes, knowledge and skills, its effective management of public policy and its dedication to achieving quality, affordable services for Albertans." Like other employers, this must be achieved in a competitive labour market with changing demographic and economic trends.

Alberta Labour Relations Board: The Alberta labour relations field is a dynamic one that responds to changes in the economy, demographics, technology and other factors. The Board must respond to these changes while maintaining the underlying principles of Alberta's labour relations legislation.

Appeals Commission for Alberta Workers' Compensation: The Appeals Commission is challenged with providing fair appeal services within a shorter time frame. This is to be accomplished within approved resources although appeals, applications, and administrative workloads have increased and may increase further. The challenge is to maintain an open and accessible appeal system that provides quality decisions and fairness of process within the framework and principles of natural justice.

The Ministry has identified significant opportunities arising from these challenges for the Ministry to focus on over the next three years:

DEPARTMENT

Human Resource Development

- To help develop Alberta's human resource capacity in order to realize the benefits which a skilled and productive workforce offers all Albertans.

The Department will place a greater emphasis on workforce development initiatives which acknowledge industry's need for specific skills. In addition, the Department recognizes the importance of workforce productivity in keeping Alberta internationally competitive and will also ensure alignment of its objectives with trends in education, including lifelong learning.

Partnerships

- To be a leader and innovator in developing partnerships with others.

The Department will continue to consider a broad range of stakeholders as potential partners including industry, municipalities, Aboriginal governments and organizations, training providers, clients and others, and will design innovative, collaborative models to work with them. Also, the Department will build on its success in working with industry to develop Alberta's labour force.

Workplace

- To work across government and with external groups to ensure a fair, safe and balanced workplace.

The Department will continue to be an honest broker and respected voice on matters related to workplace health and safety, collective bargaining and employment standards for all Albertans.

Innovative Delivery

- To continue to pursue new and innovative ways of delivering programs and services.

The Department will take advantage of opportunities such as new technologies, integration of policies, bundling of programs and services, outsourcing, effective resource allocation and partnerships in pursuing excellence in its business practices.

Sustainability

- To continue to support the government's sustainability agenda across various programs and services.

Programs will continue to provide resources and opportunities to support the Government of Alberta's long-term overall goals which include fiscal responsibility, excellent health and education systems, economic development and diversification, and services for children.

PERSONNEL ADMINISTRATION OFFICE

Alberta Public Service

- To work collaboratively with ministries to develop leading human resource practices which effectively position the Alberta public service as an employer offering a dynamic, diverse and healthy environment where employees continue to learn and grow.

ALBERTA LABOUR RELATIONS BOARD

Labour Relations

- To continue to provide investigation, adjudication and mediation services to the Alberta labour relations community. (Services include education and consultation with stakeholders.)

APPEALS COMMISSION FOR ALBERTA WORKERS' COMPENSATION

Appeal Readiness

- To continue to work with stakeholders to improve understanding and readiness of the parties through education and the provision of information.

Alternate Resolution

- To build a process that resolves issues without the necessity of the formal hearing process thereby reducing the time and resources required to address an appeal.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the following strategic priorities have been identified. These are in addition to the important ongoing core activities of the Ministry. The strategic priorities are the drivers of the Ministry's key initiatives.

Department **1. Income and Employment Supports** **Linkage: Ministry Goals 1 and 2**	Design, develop and implement an integrated approach to income support and employment training for low-income Albertans. Steps will be taken to make employment and training programs more flexible, redesign delivery processes for efficiency, and improve the coordination of low-income initiatives among government departments. This strategic priority will change the way low-income Albertans are assisted financially and supported in obtaining and maintaining employment. It is intended to enable them to be as independent as possible.

2. Assured Income for the Severely Handicapped (AISH)

Linkage: Goal 1

Conduct a review of the AISH Program in the context of other government services and supports. The review will involve discussions with government and non-government partners to promote an integrated and comprehensive approach addressing client needs.

3. Skills Investment

Linkage:
Goals 1 and 2

Implement an array of skills investment programs and services to better respond to skills deficits, as well as help people prepare for, find and keep jobs, and be able to adjust to career and work changes.

4. Partnerships

Linkage:
Goals 2, 3 and 4

Develop partnerships to meet Alberta's human resource needs, including addressing labour shortages and skills deficits, supporting workforce planning, supporting increased productivity, improving workplace relationships, and getting Albertans who are able to work into the workforce. These partnerships will play a key role in the success of programs and related initiatives such as *Work Safe Alberta*.

5. Economic Development Strategy

Linkage:
Goals 2, 3 and 4

Human Resources and Employment is a co-champion for the Economic Development Strategy, one of the Government's priority policy Cross-Ministry Initiatives. The Ministry will work towards a future of opportunity in a province that's unmatched in economic growth through ministries working together with business, industry, communities, other governments and public institutions, employees and other stakeholders. The objectives of this strategy are to achieve a more sustainable, broadly-based economy built on the strength of our natural and human resources, build a rural Alberta that has vibrant and sustainable communities (Rural Development Strategy), and ensure a sufficient supply of skilled human capital to meet and support Alberta's economic growth.

Personnel Administration Office

6. Corporate Human Resource Development Strategy

Linkage:
Goals 5, 6 and 7

The Corporate Human Resource Development Strategy, a key administrative Cross-Ministry Initiative, is a strategic priority for the Personnel Administration Office. Initiatives under the strategy are focused on enhancing leadership capacity at all levels, attracting and retaining talent, fostering safe and healthy workplaces, and ensuring the management of human resources continues to be aligned with government goals and priorities. The Personnel Administration Office also supports other key administrative cross-ministry initiatives such as the Shared Services Delivery Improvement Strategy and Service Alberta.

Alberta Labour Relations Board

7. Labour Relations

Linkage:
Goals 8, 9 and 10

The Board will continue to meet the challenge of ensuring that Alberta's labour relations community is aware of the processes that are available to them, that these processes are communicated in an understandable manner and that these processes are carried out in a consistent and timely manner.

Appeals Commission for Alberta Workers' Compensation

8. Appeals

Linkage:
Goals 11, 12 and 13

The Appeals Commission will provide accessible and transparent appeals services in a timely manner while maintaining an uncompromised fairness of process.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: People Investments

GOAL ONE

Low-income Albertans can meet their basic needs

What it means Albertans who are unable to provide for their basic needs will receive help. Government, community and business resources are available to assist those in need. The Department provides income support, health benefits and other services to low-income Albertans so they can meet their basic needs and be as independent as possible.

Strategies

.1 Provide income support, health benefits and other services to meet the basic needs of Albertans who are eligible to receive income support.

.2 Provide health benefits and other services to enhance the independence of low-income Albertans who do not receive income support.

.3 *(Key Initiative - Low Income Review)* Implement the income supports and services enabled by the Income and Employment Supports Act.

.4 *(Key Initiative - AISH Review)* Review the AISH program in the context of other government supports and implement changes to ensure responsiveness to client needs and program sustainability.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1.a) Relationship between clients receiving financial assistance and the Market Basket Measure (MBM) low-income thresholds. (specific measure under development)			To be determined	
1.b) Percentage of Child Support Services* clients with potential for child support who have a support order or agreement when the Child Support Services file closes. **	n/a***	80%	80%	80%
1.c) Percentage of parents whose children have medical coverage under the Alberta Child Health Benefit program who indicate this coverage helped them obtain or maintain employment. (specific measure under development)			To be determined	
1.d) Percentage of individuals receiving the Alberta Adult Health Benefit who indicate this coverage helped them obtain or maintain employment. (specific measure under development)			To be determined	
1.e) Satisfaction of individuals who have received selected income support and health benefit programs.				
• Income Support	n/a***	85%	85%	85%
• Alberta Child Health Benefit recipient families	99.5%	95%	n/a****	95%

* Formerly known as Family Maintenance

** Income support program savings are maximized when child support arrangements are in place prior to income support file closure.

*** Historical data is not available.

**** Satisfaction survey completed every two years.

Supplemental Information

Caseloads (monthly average)	Last Actual (2002-03)	Forecast 2004-05	Forecast 2005-06	Forecast 2006-07
Integrated Income Support[1]				
• People Working - Supplement to Earnings	4,280	4,435	4,280	3,970
• People Expected to Work	14,815	14,965	14,005	12,915
• People Not Expected to Work[2]	9,073	9,200	9,275	10,225
• Widows' Pension[3]	2,089	1,870	935	–
• Learners[4]	26,955	25,430	25,430	25,430
Assured Income for the Severely Handicapped (AISH)	29,753	32,035	33,085	33,660
Alberta Child Health Benefit[5]	63,848	69,130	71,980	74,955
Alberta Adult Health Benefit	628	1,155	1,460	1,775
Child Support Services	6,456	6,580	6,340	6,020

[1] Formerly known as Supports for Independence (SFI) and Skills Development Grant (SDG).

[2] 2006-07 caseloads include 935 cases, which were previously Widows' Pension clients.

[3] Current Widows' Pension clients grandfathered for two years.

[4] Includes full-time and part-time provincial and federal learners receiving income support and/or training allowance.

[5] Reporting changed from year-end caseload to monthly average caseload.

Core Business Two: Skills Investments

GOAL TWO

2 Albertans have the skills, supports and information they need to succeed in the labour market

What it means Albertans are the province's most important resource. They will continue to acquire the knowledge and skills they need to identify and participate in future opportunities, and be self-reliant and contributing members of society. The Department supports Albertans, including those with barriers to employment, to get the skills, services and information they need to find and keep a job.

Strategies

.1 Provide programs and services to help Albertans develop skills, find and keep employment, manage their careers and adapt to the changing labour market.

.2 Provide programs and services to assist youth, immigrants, Aboriginal people, older workers, and persons with disabilities to develop skills to increase their labour force participation.

.3 Provide Albertans with current career and labour market information.

.4 *(Key Initiative - Skills Investment Strategy)* Continue to implement the Strategy to support the development and maintenance of a skilled workforce, and to address labour shortages and skills deficits in Alberta.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
2.a) Percentage of participants employed post-intervention. *	72%	70%	70%	70%
2.b) Percentage of participants who indicate their training helped prepare them for future employment.	New		To be determined	
2.c) Satisfaction of individuals who have used:				
• Work Foundations/Training for Work (formerly known as Employment/Training Programs)	92%	95%	95%	95%
• Career Development Services (formerly known as Career and Employment Assistance Services - CEAS)	85%	85%	85%	85%
2.d) Percentage of clients satisfied with:				
• Labour Market Information Centre Services	94%	95%	n/a**	95%
• Information Materials and Tools	n/a**	n/a**	95%	n/a**
• Career Information Hotline	n/a**	n/a**	95%	n/a**
• Career Development Workshops	89%	85%	85%	85%
• ALIS (Alberta Learning Information Service) Website	88%	85%	n/a**	85%
• Job Order Bank Services	81%	85%	n/a**	85%
• Student Funding Contact Centre	New		To be determined	

* Participants in Work Foundations and Training for Work programs and services, formerly known as Employment/Training Programs.

** Satisfaction survey completed every two years.

Supplemental Information

1) Number of participants in Work Foundations/Training for Work programs and services.

2) Percentage of participants employed post-intervention by special group type.

Note: Information for items 1 and 2 will be reported in the Ministry's annual report.

3) Use of career and labour market information services:	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Career and Employment Counselling sessions (formerly Career Counselling sessions)	42,588	45,000	45,000	50,000
Group Workshop participants	40,224	35,000	35,000	35,000
Labour Market Information Centre visits	1,361,249	1,800,000	2,070,000	2,380,000
Career Information Hotline requests	31,259	31,700	31,700	31,700
Number of Career-Related Products Distributed*	797,677	700,000	700,000	700,000
Canada-Alberta Job Order Bank Services (JOBS)	55,737	57,000	58,000	58,000
ALIS Website visits	1,486,341	1,500,000	1,600,000	1,700,000
Student Funding Contact Centre**	n/a***	162,000	162,000	162,000

* The decrease forecasted in printed resources is due to increasing use of the ALIS (Alberta Learning Information Service) website.

** Forecast includes telephone calls and client e-mails received.

*** Historical data is not available.

GOAL THREE

Alberta has a productive workforce that meets the needs of the economy today and in the future

What it means Alberta has a growing and changing economy where employers are aware of the challenges to remain globally competitive and to be increasingly productive. The Department works collaboratively with industry and other partners to assess and anticipate labour market trends. The Department also works with them to address human resource development, labour shortages and skills deficits, workforce planning and productivity issues. These activities ensure Alberta employers have the skilled workforce they need to compete in a global economy and maintain the Alberta Advantage.

Strategies

.1 Share information with business, industry, communities and other jurisdictions on significant labour market trends and issues, as well as the knowledge and skills that will be required in the workplace.

.2 Promote employer participation and investment in workforce development.

.3 Continue to implement *Prepared for Growth: Building Alberta's Labour Supply*.

.4 Promote workforce effectiveness (work-life balance, lifelong learning, workplace values).

.5 Develop alliances at the local, provincial, national and international level that will contribute to human resource development.

.6 In collaboration with other Government of Alberta ministries, various levels of government and industry, determine and implement strategies to enhance the participation of immigrants in the workforce and to address Alberta's labour shortages and skills deficits.

.7 Continue to co-champion the Economic Development Strategy, a Government of Alberta priority policy Cross-Ministry Initiative.

.8 *(Key Initiative - Partnerships)* Develop partnerships to meet Alberta's human resource development needs, including strategies which focus on skills deficits, workforce planning, supporting increased workforce productivity and improving relationships with workplaces. *(This initiative also encompasses strategy .7 under Goal 4.)*

Performance Measure*	Last Actual (2002)	Target 2004	Target 2005	Target 2006
3.a) Number of occupational groupings that are in a skill shortage situation as defined by an unemployment rate that is below 3%.	22	20	18	18

* Annual average data based on calendar year.

Supplemental Information

Broad Occupational Categories with an unemployment rate below 3%:*	2002 Unemployment Rate
Management Occupations	1.6%
Health Occupations	1.0%
Occupations in Social Science, Education, Government and Religion	2.1%

* 2002 Annual Average (12 Month Moving Average) calculated using Statistics Canada, Labour Force Survey Microdata

GOAL FOUR 4

Alberta has a fair, safe and healthy work environment

What it means Albertans require fair, safe and healthy workplaces. The Department helps organizations develop positive labour-management relationships through better communication, problem solving and cooperation. The Department also promotes, regulates and provides information on workplace health and safety, and fair and balanced employment standards and practices. In addition, the Department ensures professional associations are governed in the public interest.

Strategies

.1 Support Alberta's workplaces to resolve workplace issues effectively by providing mediation, arbitration and facilitation services.

.2 Implement approaches to enhance compliance with employment standards and workplace health and safety.

.3 Review workplace legislation to ensure it is current and relevant to Alberta's workplaces, including issues arising from the MLA *Labour Relations Code* Review Committee.

.4 Continue to monitor legislation governing professions and occupations to ensure it is sensitive to the needs of professional and occupational associations and stakeholders.

.5 Promote access to employment opportunities by reducing or eliminating labour mobility barriers.

.6 Provide Albertans with access to workplace health and safety and employment standards information.

.7 *(Key Initiative - Partnerships)* Continue to implement the *Work Safe Alberta* strategy to improve workplace safety in Alberta.

Performance Measures	Last Actual (2002)	Target 2004	Target 2005	Target 2006
4.a) Lost-Time Claim Rate: number of lost time claims per 100 person-years worked:				
• Lost-Time Claim Rate (data based on calendar year).	3.0	2.0 or lower	2.0 or lower	2.0 or lower
• Annual change in number of Lost-Time Claims (adjusted for change in size of workforce).	New		To be determined	

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
4.b) Percentage of collective bargaining agreements settled without a work stoppage (strike or lockout).	93.2%	98.0%	98.0%	98.0%
4.c) Percentage of employers whose employment practices resulted in no complaints being registered with Employment Standards.	New		To be determined	
4.d) Satisfaction of individuals who have used selected workplace programs and services:				
• Workplace Health and Safety Contact Centre	n/a*	n/a*	85%	n/a*
• Employment Standards Contact Centre	n/a*	n/a*	85%	n/a*
• Mediation Services	New		To be determined	

* Satisfaction survey completed every two years.

Supplemental Information

1) Percentage change in the lost-time claim rate for targeted employers - employers with a poor health and safety record.
2) Percentage of the public aware of workplace health and safety.
3) Percentage change in the number of Certificate of Recognition (COR) holders.
4) Lost-Time Claim Rate for Certificate of Recognition (COR) holders compared to non-COR holders within selected industry sectors. (The lost-time claim rate provides an estimate of the probability of disabling injury or disease to a worker during a period of one year's work. The lower the lost-time claim rate, the lower the probability of a worker being injured or diseased.)

Note: Information for items 1 to 4 will be reported in the Ministry's annual report.

5) Use of workplace information services:	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Employment Standards Contact Centre*	184,097	170,000	170,000	170,000
Workplace Health and Safety Contact Centre*	6,341	27,400	27,400	27,400
Workplace Health and Safety Website visits	New	To be determined		

* 2002/03 Actual is telephone calls only. Targets include telephone calls and client e-mails received.

Core Business Four: Strategic Leadership of Human Resource Management in the Alberta Public Service

GOAL FIVE 5

An integrated, effective and enabling human resource management framework in the Alberta public service

What it means A comprehensive policy framework for human resource management enables a positive and productive working environment in the Alberta public service and ensures accountability for the management of human resources. The framework provides a corporate approach that is established in collaboration and consultation with stakeholders. It includes the areas of benefits, compensation, classification, labour relations, collective bargaining, staffing, workforce development and workplace health. Functional experts provide consulting services to ministries to support the effective implementation of human resource initiatives. Maximizing the use of information technology is part of an effective framework.

Strategies

.1 Develop and maintain a comprehensive policy framework for human resource management.

.2 *(Key Initiative - Corporate Human Resource Development Strategy)* Lead the development and support implementation of the annual corporate human resource plan including the corporate human resource development strategy.

.3 *(Key Initiative - Shared Services Delivery Improvement Strategy)* Enhance the seamless and effective functioning of human resource programs and services to the Alberta public service through collaboration with the Alberta Corporate Service Centre and the Human Resource Directors' Council.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
5.a) Client satisfaction with human resource strategies and policy frameworks.	81%	83%	n/a*	85%
5.b) Client satisfaction with working relationships with the Personnel Administration Office.	90%	90%	n/a*	90%

* Satisfaction survey completed every two years.

GOAL SIX

A strong public service that is positioned to meet emerging and diverse government goals

What it means The ability to attract, engage, develop and retain skilled and knowledgeable employees is critical to achieving the goals of government. A strong commitment to leadership development at all levels ensures there is talent ready to compete for future leadership positions. Innovative partnerships with ministries and other organizations ensure timely and relevant professional development through programs such as Corporate Executive Development, Senior and Executive Managers' Development and Management Development. A corporate executive search program recruits executive level talent and the Ambassador and Internship programs promote the Alberta public service as a positive career choice. An engaged and productive workforce understands what is expected and can link effectively to ministry and Government goals. Albertans expect excellent service from the public service and the continuous enhancement of employee capacity in this area is ensured through a strong partnership with Service Alberta and the Alberta Corporate Service Centre. The Premier's Award of Excellence recognizes superior client service and business excellence in the Alberta public service.

Strategies

.1 Foster continuous learning, service excellence, and build leadership capacity for all employees.

.2 Develop and enhance strategies to attract and retain talent.

.3 Promote alignment of employee performance with ministry business plans and Government goals.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
6.a) Percentage of employees who are satisfied with their employment in the Alberta public service.	81%	82%	83%	85%

GOAL SEVEN

Safe and healthy workplaces in the Alberta public service

What it means A healthy and safe work environment supports the overall productivity and success of employees. The Alberta public service contributes to the achievement of key government outcomes such as ensuring that Albertans are healthy and reducing workplace incidents by 40 per cent. Employee health programs include Long-Term Disability, Employee Support and Recovery Assistance, and the Employee Assistance Program.

Strategies

.1 Promote a safe work environment that reduces workplace incidents.

.2 Support ministries to foster healthy workplaces.

.3 Support employees in managing their well-being.

Performance Measure	Last Actual (2002)	Target 2004	Target 2005	Target 2006
7.a) Alberta public service lost-time claim rate (per 100 person-years worked, data based on calendar year).	2.0	1.0	1.0	1.0

Core Business Five: Labour Relations – Adjudication, Investigations and Mediation

GOAL EIGHT

The Alberta labour relations community receives timely, effective and efficient services

What it means It is important that labour relations matters be dealt with as quickly as possible to ensure situations do not grow into larger more complicated issues. The Alberta Labour Relations Board ensures the effectiveness of the investigation process.

Strategies

.1 Investigate applications in a timely and accurate manner to ensure early resolution of differences.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
8.a) Average number of days from the acceptance of an application to the date of the first hearing.*	45	48	46	44

* As a result of changes in methodology suggested by the Office of the Auditor General, these targets are different from those in the 2003-06 business plan.

GOAL NINE

Promote use of Alternative Dispute Resolution methods to solve issues before reaching formal hearings

What it means Facilitated settlements help build effective relationships. In many applications, the Alberta Labour Relations Board works with the parties to help settle disputes before they get to hearing.

Strategies

.1 Ensure that Board officials develop and maintain the proper facilitation skills required and that these techniques and skills are applied to all appropriate applications.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
9.a) Percentage of applications, with Board involvement, settled before reaching a formal hearing.*	57%	53%	55%	56%

* Certifications and Revocations are not included as they are mandated to go to hearing if applicant demonstrates sufficient statutory requirements. However, it is common for the numerous and sometimes complicated issues relating to these applications to benefit from Board settlement efforts.

GOAL TEN

Make clear and timely decisions for the parties to quickly implement the resolution

What it means It is important for labour relations decisions to be well reasoned and researched, but this must be tempered by the needs of the parties to have issues resolved quickly. The Alberta Labour Relations Board balances the needs for accuracy with the effectiveness of the decision-making process and the needs of the parties.

Strategies

.1 Render decisions within 90 calendar days from the completion of the hearing.

.2 Render all decisions within 180 calendar days from the completion of the hearing(s).

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
10.a) Percentage of decisions rendered within the prescribed number of calendar days from the completion of the hearing(s).	87%	85%	85%	85%
10.b) Percentage of decisions rendered within 180 calendar days from the completion of the hearing.	n/a*	100%	100%	100%

* Historical data is not available.

Core Business Six: Appeal Services for Workers' Compensation Decisions

GOAL ELEVEN

Provide a timely appeal service

What it means Appeals need to be decided within appropriate time limits. The Appeals Commission for Alberta Workers' Compensation strives to improve its appeal process and the timeliness of decisions.

Strategies

.1 Ensure prehearing appeal readiness.

.2 Provide and encourage alternate resolution mechanisms.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
11.a) Average number of days from appeal to decision issued.	160	134	134	134
11.b) Average number of days from hearing to decision issued.	30	30	30	30
11.c) Percentage of initial appeals processed within 125 days.	42%	60%	63%	66%
11.d) Percentage of initial decisions issued within 30 days of hearing.	62%	80%	82%	84%

GOAL TWELVE

Provide fair and independent decisions on appeals

What it means Independence of process and procedure and quality and consistency of decisions are important indicators of the effectiveness of appeal processes. The consistent application of legislation and policy by the Appeals Commission for Alberta Workers' Compensation will ensure greater fairness is achieved and will increase the number of decisions upheld on review.

Strategies

.1 Build the competency base of the Appeals Commission through training and effective recruitment.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
12.a) Number of decisions sent back by the Courts for the Appeals Commission to rehear.	2	1	1	1
12.b) Number of decisions sent back by the Ombudsman to the Appeals Commission with recommendations to correct procedural efficiencies or rehear.	1	2	1	1
12.c) Number of times the Appeals Commission reconsidered its own decision ("own motion").	1	3	2	2
12.d) Number of decisions clarified by the Appeals Commission at the request of a party.	6	6	5	4

GOAL THIRTEEN

Provide accessible and transparent appeal services

What it means Appeals services should be based on the values of respect, excellence, fairness and co-operation. The Appeals Commission for Alberta Workers' Compensation will continue to develop the expertise and knowledge base of the Commission as well as develop and implement services and processes that satisfy the needs of stakeholders

Strategies

.1 Provide opportunities for stakeholders' input into the quality and effectiveness of Appeals Commission processes and services.

Performance Measures	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
13.a) Satisfaction with accessibility of information and services.	New	To be determined		
13.b) Satisfaction with transparency of procedures and policies used.	New	To be determined		
13.c) Satisfaction with expertise, skills, knowledge and competencies.	New	To be determined		
13.d) Satisfaction with courtesy and respect perceived when dealing with the Commission.	New	To be determined		

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
People Investments	739,074	756,127	793,336	817,577	832,113	841,165
Skills Investments	291,733	272,443	296,002	285,114	284,183	284,155
Workplace Investments	19,100	22,683	22,258	23,122	23,114	23,110
Human Resource Management	11,589	10,935	10,935	11,344	11,344	11,344
Labour Relations - Adjudication	1,336	1,473	1,606	1,699	1,671	1,671
- Investigations/Mediation	1,122	1,255	1,416	1,147	1,125	1,125
Workers' Compensation Appeals	3,275	6,350	6,713	6,937	7,246	7,564
MINISTRY EXPENSE	1,067,229	1,071,266	1,132,266	1,146,940	1,160,796	1,170,134

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	-	-	-	16,633	16,633	16,633
Transfers from Government of Canada	344,346	385,787	428,849	476,335	487,228	499,451
Premiums, Fees and Licences	207	104	250	264	264	264
Other	16,042	18,420	19,639	19,862	22,396	22,714
MINISTRY REVENUE	360,595	404,311	448,738	513,094	526,521	539,062
EXPENSE						
Program						
Assured Income for the Severely Handicapped	347,815	357,099	373,797	393,584	416,451	433,393
Income Supports	263,630	263,189	283,413	280,613	271,478	263,247
Widows' Pension	7,288	6,900	6,900	6,800	3,800	-
Alberta Child Health Benefit	17,865	20,172	20,577	23,027	25,268	27,720
Alberta Adult Health Benefit	2,190	3,500	3,595	4,246	5,632	7,186
People Investments - Support Services	84,155	87,502	87,525	90,786	90,927	91,004
Career Information	41,722	38,539	42,872	40,326	39,997	39,997
Income Supports for Learners	87,688	79,906	91,836	81,898	81,456	81,456
Work Foundations	38,651	35,260	38,868	34,660	33,210	33,210
Training for Work	84,154	76,045	80,940	85,642	86,326	86,339
Workforce Partnerships	3,934	3,920	2,921	3,258	4,056	4,056
Skills Investments - Support Services	29,417	32,381	32,033	32,880	32,809	32,816
Workplace Relationships	1,747	2,292	1,950	2,252	2,252	2,252
Workplace Health and Safety	10,827	13,378	13,378	13,670	13,670	13,670
Employment Standards	4,765	5,122	5,100	5,287	5,287	5,287
Workplace Investments - Support Services	1,357	1,359	1,339	1,390	1,390	1,390
Labour Relations and Adjudication	2,458	2,728	3,022	2,846	2,796	2,796
Personnel Administration Office	7,882	8,300	8,300	8,709	8,709	8,709
Workers' Compensation Appeals	3,275	6,350	6,713	6,937	7,246	7,564
Ministry Support Services	22,184	24,665	24,528	25,470	25,377	25,383
Valuation Adjustments and Other Provisions	4,225	2,659	2,659	2,659	2,659	2,659
MINISTRY EXPENSE	1,067,229	1,071,266	1,132,266	1,146,940	1,160,796	1,170,134
Gain (Loss) on Disposal of Capital Assets	(595)	-	-	-	-	-
NET OPERATING RESULT	(707,229)	(666,955)	(683,528)	(633,846)	(634,275)	(631,072)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	360,595	404,311	448,738	513,094	526,521	539,062
Inter-ministry consolidation adjustments	-	-	-	(16,633)	(16,633)	(16,633)
Consolidated Revenue	360,595	404,311	448,738	496,461	509,888	522,429
Ministry Program Expense	1,067,229	1,071,266	1,132,266	1,146,940	1,160,796	1,170,134
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**1,067,229**	**1,071,266**	**1,132,266**	**1,146,940**	**1,160,796**	**1,170,134**
Gain (Loss) on Disposal of Capital Assets	(595)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(707,229)	(666,955)	(683,528)	(650,479)	(650,908)	(647,705)

APPENDIX

DEPARTMENT AND ENTITY VISION AND MISSION STATEMENTS

DEPARTMENT OF HUMAN RESOURCES AND EMPLOYMENT

VISION	**MISSION**
Alberta works because we invest in people	To provide a continuum of services and information that enables individuals to succeed in the changing workforce, fosters safe and healthy workplaces, and assists people in need.

PERSONNEL ADMINISTRATION OFFICE

VISION	**MISSION**
PAO - Building a strong public service	To provide corporate human resource strategies, policy frameworks and strategic support services that enable ministries to fulfill their business plans and achieve government's vision of the Alberta public service.

ALBERTA LABOUR RELATIONS BOARD

VISION	**MISSION**
A fair and equitable labour relations climate in Alberta	To administer, interpret and enforce Alberta's collective bargaining laws in an impartial, knowledgeable, efficient, timely and consistent way. It will do this by: 1 Educating the labour relations community and the public of their statutory rights and obligations; 2 Developing policies and processes that will assist the parties to prevent disputes or resolve their differences over these rights and obligations without resorting to litigation; and 3 Providing timely, appropriate, impartial resolution of those differences.

APPEALS COMMISSION FOR ALBERTA WORKERS' COMPENSATION

VISION	**MISSION**
The leader in innovative appeal services	To provide a timely, fair and independent appeals process consistent with legislation, policy and the principles of natural justice.

Infrastructure

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Ty Lund

Ty Lund, *Minister of Infrastructure*
March 4, 2004

THE MINISTRY

Alberta Infrastructure's responsibilities are wide ranging, from the provision of policy direction, planning expertise and capital funding for schools, post-secondary institutions, health care facilities, and seniors' lodges (referred to as supported infrastructure), to building and managing facilities that support government operations (referred to as owned infrastructure). The Ministry also provides infrastructure plant operations and maintenance funding to schools. Leasing, property acquisition and disposal, space planning for government facilities, air and vehicle fleet management services and administering the natural gas rebate program also fall within the Ministry's mandate.

LINK TO THE GOVERNMENT STRATEGIC PLAN

Infrastructure supports government's long-term strategic plan pillars of Unleashing Information; Leading in Learning; and Making Alberta the Best Place to Live, Work and Visit. The primary linkage to the Government of Alberta three-year Business Plan is Goal 12 **"Alberta will have effective and sustainable government-owned and supported infrastructure"** which encompasses all infrastructure performance measures, and directly supports the Government Fiscal and Capital Plans. The work of this Ministry in supporting health, learning, and research facilities, as well as museums and other sites also supports the province's goals under each of the core businesses:

People

Goal 1: Albertans will be healthy
Goal 2: Albertans will be well prepared for lifelong learning and work
Goal 4: Albertans will be self-reliant and those unable to provide for their basic needs will receive help

Prosperity

Goal 7: Alberta will have a prosperous economy
Goal 8: Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada

Preservation

Goal 11: Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas

VISION

Alberta has innovative, quality, and sustainable public facilities.

MISSION

Through leadership and technical expertise, provide effective, efficient, innovative and timely infrastructure and services.

CORE BUSINESSES

Core Business 1: Partner with health regions, school boards, post-secondary institutions and seniors' lodge foundations to support the delivery of government programs.

Goal 1 - Provide leadership and funding for the development and preservation of health care facilities and the preservation of seniors' lodges.
Goal 2 - Provide leadership to preserve and deliver effective and efficient facilities in support of life-long learning.

Core Business 2: Manage government facility and land needs.

Goal 3 - In partnership with all ministries, effectively plan, retrofit, and manage government-owned and leased facilities to support the delivery of government programs.
Goal 4 - Manage land requirements to support the delivery of government programs.
Goal 5 - Maintain effective environmental stewardship of government facilities and lands.

Core Business 3: Manage government air and vehicle fleets.

Goal 6 - Efficiently manage the government's air and vehicle fleets to provide safe, reliable and responsive services in a fiscally responsible way.

Core Business 4: Improve planning to ensure value for government investment and support economic development and diversification.

Goal 7 - Work with stakeholders and other ministries to improve planning, and contribute to government initiatives supporting economic development and diversification.
Goal 8 - Enhance service delivery to all clients.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

INFRASTRUCTURE DEBT

When the need for new facilities is not met, or when the need for adequate ongoing funding for timely facility preservation and maintenance is delayed, the risk for the onset of health and safety issues increases, the value of assets may decline, and the infrastructure debt increases at an accelerated rate. Although some priority needs have been met through the Government's Capital Plan, there is still an infrastructure debt of unfunded new facility requirements and preservation of existing facilities to be addressed. This infrastructure debt is currently estimated at $2.2 billion, down somewhat from $2.4 billion identified in our 2003-06 Business Plan. Adding to the infrastructure debt is the need for functional upgrading to adequately meet program delivery needs. New facilities constructed or approved for construction may alleviate the backlog somewhat; however, much of the government-owned and supported infrastructure is greater than 15 years old and in need of upgrading or retrofit. As buildings age, they become susceptible to the effects of deterioration, and if taxpayer investment is to be protected, the backlog of renovation and upgrading required in existing building infrastructure has to be managed. Addressing this debt will help save money in the long run by avoiding premature building replacement, avoiding health and safety issues, and minimizing maintenance costs.

PUBLIC-PRIVATE PARTNERSHIPS (P3s)

Public-private partnerships are a reality in Alberta. Where viable partnerships exist, P3s are an effective and efficient opportunity to provide Albertans with much needed facilities. There continues to be a great deal of interest in developing infrastructure through partnerships, and we are challenged with determining the merit of each proposal. Each partnership proposal requires extensive evaluation and expert analysis, therefore we continue to work internally, and with experts, to strengthen our capacity in this regard, and to provide assurance of value to the taxpayer. Where feasible and cost effective, Infrastructure will continue to pursue alternative financing opportunities for new facilities, and will encourage supported infrastructure organizations to pursue P3s for priority needs. A current example is the development of consolidated court facilities in Calgary.

CHANGING NEEDS

We are experiencing high growth in resource and urban development areas due to Alberta's economic strength. We are also encountering reduced populations in rural communities and in the inner city areas of Edmonton and Calgary. These changing demographics have created situations where facilities are badly needed in growth areas, while other areas have underutilized facilities. This mismatch between the location of facilities and the demand is a challenge, one that faces many school boards and health regions in Alberta. Greater emphasis on long term planning is required, and Alberta Infrastructure will work with school boards, health regions, and other stakeholders in this regard.

TECHNOLOGY & INNOVATION

Innovation is central to improving competitiveness, generating wealth, creating jobs, and enhancing our quality of life. Having the necessary infrastructure in place is an important component of developing, attracting, and retaining highly qualified people. High profile health care facilities, such as the Bone and Joint Centre of Excellence in Calgary and the Alberta Heart Institute in Edmonton, as well as the Health Research Innovation Centres, will be attractive to the medical and research communities.

Other innovations include the design of multi-purpose facilities to allow flexibility for the future, and applying new technology to make facilities more efficient in program delivery, energy usage, and operating costs. The potential for health care and learning facilities to provide Albertans with faster access to more efficient services is also improving through the availability of state-of-the-art equipment and technology systems.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Contributing to the development and implementation of the government's long-term Capital Plan.

Linkage:
Goals 1, 2, 3, 7 and 8

The Financial Management Commission recommended funding priority program areas at a constant, sustainable rate. One of the key changes is the establishment of a Capital Plan for infrastructure. This plan sets out the government's commitment to both government-owned and supported capital projects including government facilities, health, school and post-secondary facilities, as well as infrastructure programs administered by other ministries. This new capital plan means that critical capital projects will be addressed, and when infrastructure projects are started, they will be finished in an orderly manner. Infrastructure plays a fundamental role in the development and implementation of the government's long-term Capital Plan for infrastructure, and contributes to Cross-Ministry processes such as the Capital Planning Initiative to improve information and decision making on infrastructure in Alberta.

2. Balancing growth needs with preservation of existing infrastructure.

Linkage:
Goals 1, 2, 3, 7 and 8

With a population exceeding three million and growing, Alberta's infrastructure needs are changing. In areas of growth, new schools and health facilities are vital to the needs of these communities. Post-secondary opportunities for Albertans are important, and adequate facilities are a key component of making those opportunities available. New construction must be balanced with our mandate to protect the taxpayers' investment in existing infrastructure through ongoing building maintenance and upgrading. Infrastructure will continue to work with partners to effectively balance infrastructure needs through development of longer term plans, better regional planning that looks across all infrastructure types and needs, and reviewing options for multi-use and sharing of facility space.

3. Ensuring a healthy and safe environment in government facilities.

Linkage:
Goals 5 and 7

Infrastructure manages government-owned facilities, and has the responsibility for providing a healthy and safe environment for employees and clients of these facilities. This includes complying with environmental standards for indoor air quality, providing guidance and support for the planning, development, and implementation of emergency and disaster response and recovery plans, as well as providing ongoing maintenance to maintain the integrity of the assets. We also strive to improve the energy efficiency of these government buildings, reducing both the environmental impact and utility costs.

4. Improving client service through quality administration and a continuous process of streamlining policies and procedures.

Linkage:
Goals 1, 2, 3, 4, 5, 6, 7 and 8

Challenged by our vision of innovative, quality, and sustainable public facilities, the Ministry will continue to provide stakeholders meaningful opportunities for input into decision making, and will work to identify areas where improvements can be made, or procedures can be streamlined.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Partner with health regions, school boards, post-secondary institutions and seniors' lodge foundations to support the delivery of government programs.

GOAL ONE

Provide leadership and funding for the development and preservation of health care facilities and the preservation of seniors' lodges.

What it means Albertans are passionate about the delivery of health care services, and about providing for Alberta's seniors. We at Infrastructure share that view. Our Ministry works in partnership with health regions and other ministries to provide government-supported infrastructure that meets the needs of Albertans. There are also strong and effective partnerships in place with seniors' lodge foundations to support the upgrading of seniors' lodges in Alberta.

Strategies

- In partnership with the health regions and Health and Wellness, implement the approved projects identified in the Capital Plan, including the new Children's Hospital in Calgary, the Alberta Heart Institute in Edmonton, the Royal Alexandra Hospital expansion in Edmonton, and the Bone and Joint Centre of Excellence in Calgary.
- Optimize use of existing health infrastructure and meet local community needs through the provision of funding under the Health Sustainability Initiative Fund which supports the conversion of existing facilities to long term care or other uses.
- Complete the Lodge Upgrading Program and, in partnership with seniors' lodge foundations, implement a facility infrastructure maintenance program.

Performance Measures	**Last Actual (2002-03)**		**Target 2004-05**		**Target 2005-06**		**Target 2006-07**	
Health Facilities	Built prior to 1988	All facilities	Built prior to 1988	All facilities	Built prior to 1988	All facilities	Built prior to 1988	All facilities
Condition								
% in good condition	42	57	48	64	51	64	51	64
% in fair condition	48	36	44	30	42	30	42	30
% in poor condition	10	7	8	6	7	6	7	6
Utilization								
% within targeted capacity			Methodology under development					
Functional Adequacy								
% that provide adequate functional service			Methodology under development					

The Capital Planning Initiative Report of March 2000 identified three long term performance measures to be used across government to report on the management of physical infrastructure, whether it is owned or supported by government:

Condition
"Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means components are aging and nearing the end of their life cycle requiring additional expenditures for renewal or refurbishing. "Poor" means the facilities require upgrading to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary;

Utilization
The percentage of physical infrastructure for which the utilization level is within targeted capacity; and

Functional Adequacy
The percentage of physical infrastructure that provides acceptable functional service.

Number of Seniors' Lodges Upgraded	Last Actual (2002-03)	Target 2004-05
Number of seniors' lodges completed	114	121

This measure reflects the number of seniors' lodges for which upgrading has been completed under the Lodge Upgrading Program. A total of 121 lodges were selected for upgrading under this program, which will be completed by the end of the 2004-05 fiscal year.

GOAL TWO

Provide leadership to preserve and deliver effective and efficient facilities in support of life-long learning.

What it means Our children are our future, and a good education is the basis for providing opportunities to enhance their future, and the future of this province. Alberta also recognizes the importance of going beyond a basic education - the value of life-long learning. To support Albertans in attaining their educational goals, we work in partnership with Learning, school boards and post-secondary institutions to support the delivery of basic and advanced educational programs. Increased capacity for research and innovation within Alberta's post-secondary institutions will also enable the province to attract new research initiatives and experts in fields such as medical research.

Strategies

- In support of the Rural Development Initiative and the need to make the best use of taxpayer investment, explore opportunities with Learning and school boards to revitalize school facilities in all Alberta communities in order to maximize use of school infrastructure, increase utilization, encourage disposition of non-viable schools, and improve the condition and functionality of required schools.
- In consultation with school boards, develop and implement a new accountability framework for capital and plant operations and maintenance, including clarification of roles and responsibilities, and enhanced accountabilities for school facility funding.
- As part of the capital planning process, continue to evaluate and address the maintenance and renewal needs identified in the 2002 facilities audit of post-secondary institutions.
- In conjunction with post-secondary institutions, complete the utilization study of all college, university and technical institute facilities to determine overall system capacity and utilization of each facility. With boards and Learning, use results to identify future needs and incorporate into the long-term planning process.

Performance Measures	Last Actual (2002-03)		Target 2004-05		Target 2005-06		Target 2006-07	
Schools (K-12)	Built prior to 1988	All facilities	Built prior to 1988	All facilities	Built prior to 1988	All facilities	Built prior to 1988	All facilities
Condition								
% in good condition	49	52	52	56	52	56	51	55
% in fair condition	45	42	43	39	43	39	44	40
% in poor condition	6	6	5	5	5	5	5	5
Utilization								
Actual enrolments as a % of school facility capacity	75		72		72		71	
Functional Adequacy								
% that provide adequate functional service			Methodology under development					

Please refer to the Goal 1 performance measure for a description of condition, utilization and functional adequacy.

	Last Actual (2002-03)		Target 2004-05		Target 2005-06		Target 2006-07	
Post-Secondary Institutions	Built prior to 1988	All facilities	Built prior to 1988	All facilities	Built prior to 1988	All facilities	Built prior to 1988	All facilities
Condition								
% in good condition	40	47	39	45	38	45	37	45
% in fair condition	47	45	45	46	45	46	45	46
% in poor condition	13	8	16	9	17	9	18	9
Utilization								
% within targeted capacity	Measure will be developed upon completion of utilization study in 2004							
Functional Adequacy								
% that provide adequate functional service	Methodology under development							

Core Business Two: Manage government facility and land needs.

GOAL THREE

In partnership with all ministries, effectively plan, retrofit, and manage government-owned and leased facilities to support the delivery of government programs.

What it means Albertans require reasonable access to government programs and facilities and it is the responsibility of Infrastructure, in concert with other Ministries, to ensure this access is available. The Ministry is responsible for managing nearly 1,900 owned and some 300 leased facilities, including office space, courts, correctional facilities, warehouses and maintenance facilities, laboratories and research centres. The Ministry also plays a key role in ensuring that the health and safety needs of occupants and visitors are met and Ministries' changing program needs are addressed through facility planning, implementation of renovation projects, and through initiatives such as condition monitoring, safety and emergency planning, and ongoing maintenance and preservation.

Strategies

- Provide overall capital and operating management of government facilities.
- Develop, maintain, and implement accommodation plans for government clients.
- Work with partners to address physical building and site security needs in government buildings.
- Continue to seek innovative methods of project financing and delivery (public-private partnerships) for major projects, such as the Calgary Courts Centre.
- Assist government departments and agencies in the development and implementation of emergency and safety plans for government-owned and leased buildings across the province.
- Ensure accessibility needs for persons with disabilities are fully considered in Ministry design standards, policies, programs, and projects.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Government-owned and operated facilities				
Condition of all government facilities				
% in good condition	50	46	44	42
% in fair condition	47	51	53	55
% in poor condition	3	3	3	3

The preceeding measure is inconsistent with the condition measures for health facilities, schools (K-12), and post-secondary institutions, which include two sets of targets (facilities built prior to 1988 and all facilities). There has been minimal new construction of government-owned and operated facilities in recent years; therefore, the two sets of numbers would be similar. The majority of these facilities were constructed between 1975 and 1985, and are now reaching the threshold where significant upgrading or refurbishment is required to maintain them in acceptable condition.

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Utilization % within targeted capacity	90	89	89	89
Functional Adequacy % that provide adequate functional service	81	79	79	79

Please refer to the Goal 1 performance measure for a description of condition, utilization, and functional adequacy.

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Operating cost per square metre of rentable area for government-owned and operated facilities				
Average operating cost per m^2 of all office buildings owned and operated by Alberta Infrastructure	$84.11	Ministry target for each year is to not exceed the annual industry average		
Results of industry survey industry average	$111.55	Ministry target for each year is to not exceed the annual industry average		

This measure compares the operating cost of government-owned and operated facilities to the industry average.

GOAL FOUR

Manage land requirements to support the delivery of government programs.

What it means Infrastructure provides real estate and land planning services and manages the Edmonton and Calgary Transportation and Utility Corridors. As new facility requirements are identified, the Ministry works with client departments, boards, and agencies to lease required space. Changes in government program delivery methods and new technologies mean that, on occasion, government is faced with surplus lands or underutilized properties. Infrastructure, as part of its role in overseeing the government's facility and land portfolio acquires properties, and divests itself of excess land and underutilized properties.

Strategies

- Plan, develop, and administer the Edmonton and Calgary Transportation and Utility Corridors, including enhanced sharing of policies and other information with interested buyers, realtors, and other stakeholders.
- Continue to sell or divest surplus and underutilized properties and take a lead role in providing services for disposal of properties for Government Ministries.
- Work with client departments to understand their property needs and acquire, lease, or dispose of property as appropriate.

Performance Measure	Last Actual (2001)	Target 2003	Target 2005	Target 2007
Client Satisfaction Survey				
Real estate quality of service rating (based on a scale of 1 to 6)	New		To be determined	

Feedback from clients on how successfully we met their real estate needs will be sought in an upcoming client satisfaction survey.

GOAL FIVE

Maintain effective environmental stewardship of government facilities and lands.

What it means The mandate to manage government's facility and land portfolio carries an obligation to minimize the environmental impact of our activities. As well, initiatives are undertaken to monitor air quality and improve energy efficiency, enhance the comfort of facility occupants, generate a cost savings, and lessen the environmental impact of operating these facilities.

Strategies

- Manage the Swan Hills Treatment Plant.
- Complete development and implementation of a Ministry Environmental Management System based on an international standard that can be applied to manage hazardous materials in construction, renovation, demolition, and site remediation projects.
- Continue to address environmental concerns at highway maintenance yards and other sites through risk management and remediation initiatives.
- Monitor energy efficiency and operating costs of government-owned and leased facilities and make cost-effective improvements.
- Maintain and monitor indoor air quality standards and processes aimed at reducing the risks associated with aging infrastructure, and ensure appropriate processes are followed to address incidences, such as mould, that may be found.

Performance Measure	Last Actual (2002)	Target 2004	Target 2005	Target 2006
Energy consumption per square metre in government-owned and operated facilities				
Energy consumption in owned and operated facilities (megajoules per m^2)	1,756	1,750	1,750	1,750

This measure shows the average energy consumption in government-owned and operated facilities over a 12-month period based on the calendar year. It is an indicator of how efficiently energy, including natural gas and electricity, is being used by the facilities.

Core Business Three: Manage government air and vehicle fleets.

GOAL SIX

Efficiently manage the government's air and vehicle fleets to provide safe, reliable and responsive services in a fiscally responsible way.

What it means Infrastructure is responsible for delivering safe and reliable transportation services to government ministries, boards, and agencies. This involves partnering with a private sector service provider for light-duty vehicles, as well as managing the remaining government-owned light-duty vehicles. The Ministry also manages government aircraft and continues to provide safe, efficient, and cost-effective air transportation services.

Strategies

- Manage the government's air fleet, providing safe, reliable air transportation services.
- Monitor the condition of aging air services equipment, and implement a plan for replacement as necessary.
- Ensure the safety of passengers through ongoing efficient maintenance of the air fleet.

- Continue to work with the private-sector vehicle fleet service provider to meet the transportation needs of government departments, boards and agencies, and effectively plan for future retirement or replacement of vehicles.

Performance Measure	Last Actual (2001)	Target 2003	Target 2005	Target 2007
Client Satisfaction Survey				
Vehicle users quality of service rating (based on a scale of 1 to 6)	New		To be determined	
Air transportation passengers quality of service rating (based on a scale of 1 to 6)	New		To be determined	

Feedback from clients on how successfully we met their vehicle and air transportation needs will be sought in an upcoming client satisfaction survey.

Core Business Four: Improve planning to ensure value for government investment and support economic development and diversification.

GOAL SEVEN

Work with stakeholders and other ministries to improve planning, and contribute to government initiatives supporting economic development and diversification.

What it means

Long term capital planning is becoming more important for the government and its stakeholders. The new Centennial Capital Plan provides stability in financial planning for school boards, health authorities, post-secondary institutions, and the Ministry for the term of the business plan. However, as regional, economic and demographic changes impact how Albertans need to access government services, the requirement for longer term planning increases. Through effective planning, the Ministry, along with its stakeholders and clients, will be better able to deal with emerging issues.

Strategies

- In partnership with Finance and Transportation, co-sponsor the Cross-Ministry Capital Planning Initiative and actively participate in the prioritization of all capital project requests for submission into future government Capital Plans.
- Support the government's strategy to enhance research and development capacity in Alberta through projects such as the development of the new Health Research Innovation Centres at the Universities of Calgary and Alberta.
- Provide support and input regarding schools, health care facilities, and post-secondary institutions into the new Rural Development Initiative to create an integrated approach to rural development and help rural communities capitalize on Alberta's economic activity.
- Work with school boards, health authorities, post-secondary institutions, government ministries, and other stakeholders to update and maintain long term capital plans.
- Collaborate with all stakeholders to explore opportunities for multi-use facilities, and continue to pursue alternative financing opportunities, such as P3s, where cost effective and feasible.
- Work with stakeholders to re-evaluate the outstanding maintenance requirement for all types of facilities and incorporate that information into the new infrastructure management system. Develop and implement processes to update and monitor the data.
- Support government priorities for Albertans through implementation of key initiatives such as the Natural Gas Rebate Program.

Performance Indicator	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Progress on completion of health research innovation centres				
% of the U of C Health Research Innovation Centre completed	n/a	15	45	95
% of the U of A Health Research Innovation Centre completed	n/a	15	45	95

This measure is defined as the percentage of the Health Research Innovation Centres that are completed based on construction status reporting. Timing of project advancements is subject to available funding.

GOAL EIGHT

Enhance service delivery to all clients.

What it means The Government of Alberta recognizes the importance of infrastructure to the economy and to Albertans. At Infrastructure, we are committed to working with other Ministries and our stakeholders in support of their infrastructure needs. It is important to the Ministry to continually strive for improvement in the delivery of our services and programs.

Strategies

- Implement the Building and Land Infrastructure Management System to enhance facility management and improve planning of capital projects for clients and the ministry.
- Improve communication with stakeholders by providing meaningful opportunities for input into decision making such as responding to recommendations flowing from the Minister's Symposium on Schools.
- Review and streamline policies and processes used for decision making and share those with stakeholders as needed to enhance communication and streamline administration.

Performance Measure	Last Actual (2001)	Target 2003	Target 2005	Target 2007
Client Satisfaction Survey				
Average rating - overall quality of service (based on a scale of 1 to 6)	4.6	4.7	4.7	4.7

A Client Satisfaction Survey is undertaken every second year to determine the level of satisfaction with services we provide. Through the services of an independent consulting firm, this confidential survey solicits feedback from our clients using a six-point scale. The results of the survey provide important information, assisting the ministry in our efforts to continually improve service delivery.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Partner with health regions, school boards, post-secondary institutions and seniors' lodge foundations to support the delivery of government programs	458,694	816,135	832,092	1,153,888	807,260	572,295
Manage government facility and land needs	345,775	371,663	587,320	359,570	371,160	384,840
Manage government air and vehicle fleets	5,654	7,289	7,271	7,316	7,324	7,324
Improve planning to ensure value for government investment and support economic development and diversification	9,834	11,103	10,967	11,376	11,411	11,411
MINISTRY EXPENSE	819,957	1,206,190	1,437,650	1,532,150	1,197,155	975,870

CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Manage government facility and land needs	25,051	38,219	54,368	200,009	287,450	148,425
Manage government air and vehicle fleets	1,348	1,850	1,850	1,850	1,850	1,850
Improve planning to ensure value for government investment and support economic development and diversification	4,018	6,197	6,930	3,380	3,300	3,300
MINISTRY CAPITAL INVESTMENT	30,417	46,266	63,148	205,239	292,600	153,575

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	105,000	145,000	145,000	165,000	164,000	164,000
Investment Income	10,843	4,000	6,300	4,000	4,000	4,000
Premiums, Fees and Licences	2,723	2,700	2,700	2,700	2,700	2,700
Other Revenue	48,297	26,740	34,998	46,858	33,513	32,813
MINISTRY REVENUE	166,863	178,440	188,998	218,558	204,213	203,513
EXPENSE						
Program						
Infrastructure Operations						
School Facilities Operations	324,434	331,543	361,543	349,543	351,543	351,543
Property Operations	122,494	123,816	131,228	125,815	125,855	125,855
Leases	92,942	99,946	99,946	101,030	101,030	104,230
Swan Hills Treatment Plant	25,874	26,625	23,667	21,625	21,625	21,625
Sub-total	**565,744**	**581,930**	**616,384**	**598,013**	**600,053**	**603,253**
Infrastructure Preservation						
Health Care Facilities	13,411	122,714	88,590	107,650	34,501	64,000
School Facilities	25,859	48,059	54,365	123,098	126,523	54,008
Post-Secondary Facilities	741	24,800	24,800	38,800	46,434	35,000
Seniors' Lodges	19,415	3,130	3,286	6,100	2,000	-
Capital and Accommodation Projects	21,516	21,881	9,756	11,348	15,000	15,000
Government Facilities	10,959	9,675	7,573	9,675	9,675	9,675
Site Environmental Services	1,439	1,650	1,650	1,650	1,650	1,650
Sub-total	**93,340**	**231,909**	**190,020**	**298,321**	**235,783**	**179,333**
Infrastructure Expansion						
Health Care Facilities	12,714	97,733	122,856	236,476	119,074	-
School Facilities	54,949	67,580	55,274	97,666	74,675	25,000
Post-Secondary Facilities	1,540	100,000	100,000	176,000	41,466	18,700
Seniors' Lodges	189	2,170	3,014	30	-	-
Capital and Accommodation Projects	147	2,400	528	2,800	10,000	10,000
Land Services	1,933	2,100	13,788	2,100	2,100	2,100
Centennial Projects	386	500	1,050	-	-	
Centennial Projects - Legacy Grants	-	12,500	12,500	12,500	-	-
Sub-total	**71,858**	**284,983**	**309,010**	**527,572**	**247,315**	**55,800**
Ongoing Commitments						
Air Transportation Services	3,497	3,443	3,443	3,489	3,489	3,489
Vehicle Services	366	422	422	399	399	399
Support Services	39,228	43,503	42,770	44,356	44,666	44,666
Sub-total	**43,091**	**47,368**	**46,635**	**48,244**	**48,554**	**48,554**
Other						
Alternatively Financed Project Costs	-	-	-	-	5,000	18,000
Energy Rebates	513	-	215,600	-	-	-
Sub-total	**513**	**-**	**215,600**	**-**	**5,000**	**18,000**
Non-Cash						
Amortization	40,289	52,500	50,218	52,500	52,950	56,350
Nominal Sum Disposals	1,535	5,000	7,283	5,000	5,000	5,000
Consumption of Inventories	3,137	2,500	2,500	2,500	2,500	2,500
Valuation Adjustments and Other Provisions	450	-	-	-	-	-
Sub-total	**45,411**	**60,000**	**60,001**	**60,000**	**60,450**	**63,850**
Total Program Expense	**819,957**	**1,206,190**	**1,437,650**	**1,532,150**	**1,197,155**	**968,790**
Debt Servicing Costs						
Department	-	-	-	-	-	7,080
MINISTRY EXPENSE	**819,957**	**1,206,190**	**1,437,650**	**1,532,150**	**1,197,155**	**975,870**
Gain (Loss) on Disposal and Write Down of Capital Assets	18,125	-	9,749	-	-	-
NET OPERATING RESULT	**(634,969)**	**(1,027,750)**	**(1,238,903)**	**(1,313,592)**	**(992,942)**	**(772,357)**

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	166,863	178,440	188,998	218,558	204,213	203,513
Inter-ministry consolidation adjustments	(109,483)	(148,665)	(148,665)	(168,908)	(167,908)	(167,908)
Consolidated Revenue	57,380	29,775	40,333	49,650	36,305	35,605
Ministry Program Expense	819,957	1,206,190	1,437,650	1,532,150	1,197,155	968,790
Inter-ministry consolidation adjustments	(4,483)	(3,665)	(3,665)	(3,908)	(3,908)	(3,908)
Consolidated Program Expense	**815,474**	**1,202,525**	**1,433,985**	**1,528,242**	**1,193,247**	**964,882**
Ministry Debt Servicing Costs	-	-	-	-	-	7,080
Consolidated Expense	815,474	1,202,525	1,433,985	1,528,242	1,193,247	971,962
Gain (Loss) on Disposal and Write Down of Capital Assets	18,125	-	9,749	-	-	-
Inter-ministry consolidation adjustments	19,921	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(720,048)	(1,172,750)	(1,383,903)	(1,478,592)	(1,156,942)	(936,357)

CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Swan Hills Treatment Plant	4,733	2,000	5,000	3,000	3,000	3,000
Capital and Accommodation Projects	2,629	12,000	23,597	34,040	4,661	1,100
Land Services	5,943	19,080	19,080	8,721	8,300	8,300
Centennial Projects	12,840	9,909	9,359	29,528	27,564	15,000
Government Facilities	-	-	2,102	-	-	-
Air Transportation Services	856	850	850	850	850	850
Vehicle Services	492	1,000	1,000	1,000	1,000	1,000
Support Services	2,924	1,427	2,160	1,200	1,225	1,225
Alternatively Financed Projects (Statutory)	-	-	-	126,900	246,000	123,100
MINISTRY CAPITAL INVESTMENT	30,417	46,266	63,148	205,239	292,600	153,575

Innovation and Science

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Victor Doerksen, *Minister of Innovation and Science*
March 5, 2004

THE MINISTRY

The Ministry includes:

- Department of Innovation and Science
- Office of the Corporate Chief Information Officer
- Alberta Science and Research Authority (ASRA) and its associated agencies, including Alberta Agricultural Research Institute (AARI); Alberta Energy Research Institute (AERI); Alberta Forestry Research Institute (AFRI); Alberta Research Council Inc. (ARC); and iCORE Inc. (Alberta Informatics Circle of Research Excellence)

The Minister of Innovation and Science is responsible for legislation pertaining to the Alberta Heritage Foundation for Medical Research and the Alberta Heritage Foundation for Science and Engineering Research (operating under the trade name "Alberta Ingenuity Fund").

LINK TO THE GOVERNMENT BUSINESS PLAN

Innovation and Science activities support the achievement of the following Government of Alberta goals:

Goal 1: Albertans will be healthy.
The Ministry provides support for health related research through investments in basic research infrastructure. Human health (including the safety of the food supply) is an important component of *Growing Our Future: An Integrated Life Sciences Strategy for Alberta.*

Goal 2: Albertans will be well prepared for lifelong learning and work.
Various ministry programs support the training of graduate students who will become tomorrow's researchers and important participants in a highly qualified workforce needed to support innovation and create opportunities.

Goal 7: Alberta will have a prosperous economy.
Ministry activities aimed at growing the knowledge-based economy in Alberta and adding value to important resource-based industries like energy, agriculture and forestry, ensure Alberta's long term prosperity. The Alberta SuperNet infrastructure increases opportunities to attract investment and skilled workers to the province, at the same time, enabling rural communities and businesses to connect to the world through local service providers.

Goal 8: Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.
Through the Corporate Chief Information Officer, the Ministry leads the implementation of the e-Government Strategy and the Corporate Information and Communications Technology Strategy.

Goal 10: The high quality of Alberta's environment will be sustained.
The ministry supports research activities aimed at improving Alberta's environment including water research and climate change.

Goal 12: Alberta will have effective and sustainable government-owned and supported infrastructure.
The Ministry is leading the construction of the Alberta SuperNet, an initiative to build a broadband network which includes 4,700 connections to libraries, schools, hospitals and provincial government offices in 422 communities province-wide in 2004.

VISION

Alberta prospers through the application of science and research and the innovative use of technology

MISSIONS

1. To enhance the contribution of science, research, development and its commercialization for the sustainable prosperity and quality of life of all Albertans.

CORE BUSINESSES

Core Business 1: Research and Innovation

Goal 1 - In collaboration with universities and other research institutions, build the capability and capacity of Alberta's research system to achieve critical mass in areas of strategic priority.

Goal 2 - Build the capacity and capability needed to support an innovative and globally competitive energy sector.

Goal 3 - Build the capacity and capability needed to support an innovative and globally competitive information and communications technology sector.

Goal 4 - Build the capacity and capability needed to support an innovative and globally competitive life sciences sector.

Goal 5 - Build the capacity and capability needed to support an innovative and globally competitive economy in Alberta.

MISSIONS (continued)

2. To provide strategic leadership and direction in the innovative and cost-effective use of information and communications technology to improve the efficiency of government program delivery and the internal administration of government.

CORE BUSINESSES (continued)

Core Business 2: Corporate Information and Communications Technology

Goal 6 - An integrated corporate information and communications technology (ICT) strategy based on common cross government standards, management practices and frameworks.

Goal 7 - An integrated and shared information and communications technology infrastructure.

Goal 8 - To support and improve the delivery of programs and services to Albertans and support improvements in the internal administration of government using ICT as an enabler.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

1. Research and Innovation

- **Opportunity:** The Government of Alberta has put a clear priority on developing value-added sectors of the economy. Our activities are aligned with government's value-added strategy, *Securing Tomorrow's Prosperity*.
- **Opportunity:** Addressing research priorities which respond to emerging provincial needs while making investments which will build capacity for long-term prosperity (e.g. energy, ICT and life sciences) through optimizing returns from global market opportunities.
- **Opportunity:** Building on our strengths in priority areas. We are well positioned to leverage federal investment in support of our priorities.
- **Opportunity:** Build on the capability of post-secondary institutions to develop, attract and retain highly skilled people needed to support the growth of a knowledge-based economy in Alberta.
- **Opportunity:** Encouraging greater industry investment in research and development. Industry plays a critical role in the innovation system, taking new ideas and turning them into new products, processes and services in the global marketplace.
- **Opportunity:** Ensuring that the right infrastructure is in place to support applied research and successful commercialization of new products and services.
- **Opportunity:** Bringing together the right mix of management mentorship and access to capital to encourage and sustain new entrepreneurial ventures.

2. Corporate Information and Communications Technology

- **Opportunity:** The Government of Alberta has identified development of a common, shared infrastructure and common, shared business applications as clear priorities.
- **Opportunity:** To meet increasing public expectations for electronic access to government and increasing public concerns for security and privacy in electronic transactions.
- **Opportunity:** To create a secure, scalable ICT infrastructure that meets the needs of government.
- **Opportunity:** Keeping pace with technological changes, optimize the ICT environment through standardization, rationalization and consolidation of ICT resources across government.
- **Opportunity:** Continuing to explore collaborative opportunities with ministries on corporate initiatives.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important, ongoing core activities of the Ministry. The strategic priorities listed under Research and Innovation are consistent with the recommendations made by an International Expert Review Panel appointed to assess the operations of the Alberta Science and Research Authority.

1. Research and Innovation

Linkage: Goal 1	• Continue to build the capability and capacity of Alberta's research system by investing in excellent people, investing in research infrastructure and investing in strategically aligned initiatives.
Linkage: Goal 2	• Continue to implement the Alberta Energy Innovation Strategy with a focus on priority areas of oil sands upgrading, clean carbon technologies and CO_2 management.
Linkage: Goal 3	• Work towards the creation of an Information and Communications Technology Institute to guide ICT research and innovation. • Continue to support strategic research investments in ICT.
Linkage: Goal 4	• Work towards the creation of a Life Sciences Institute to link and coordinate agriculture, environment, forestry, health, bioenergy and water research. • Implement the Life Sciences Strategy. This includes support of collaborative initiatives between the Alberta Agricultural Research Institute and the Alberta Forestry Research Institute, as well as support for provincial research priorities including those identified in the Water for Life Strategy and the Agri-food Growth Strategy.
Linkage: Goal 5	• Support the implementation of the cross-ministry Economic Development Strategy. • Implement a broad technology commercialization and adoption strategy for Alberta aimed at increasing jobs, firms, revenue and economic diversification. • Establish and administer the Innovation Program to support Government of Alberta efforts to develop and implement innovative ideas and initiatives that improve service delivery to Albertans or encourage innovation in the Alberta economy.

2. Corporate Information and Communications Technology

Linkage: Goal 6	• Develop and implement common business processes, and a mechanism for establishing priorities for ICT investments. • In collaboration with other ministries, set a clear and strategic corporate plan for the development and use of ICT.
Linkage: Goal 7	• Complete the Alberta SuperNet build. • Develop and implement a common, shared ICT infrastructure.
Linkage: Goal 8	• Provide Albertans with high-speed electronic services and online information access to Government by leveraging the investment of Alberta SuperNet and Service Alberta.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Research and Innovation

GOAL ONE

In collaboration with universities and other research institutions, build the capability and capacity of Alberta's research system to achieve critical mass in areas of strategic priority.

What it means

Key outcomes associated with this goal:

- A skilled workforce to support research and innovation.
- Internationally recognized research capabilities in areas of strategic priority for long-term growth.
- A supportive environment that encourages innovation, collaboration, and networks.

Strategies

1: Provide support for the recruitment and retention of key scientific personnel at Alberta public research institutions.

2: Provide strategically targeted support for Alberta public research infrastructure.

3: Encourage the growth of applied research capability in Alberta.

4: Make investments that strengthen Alberta's science capability and capacity to support energy, ICT and life sciences and other areas of strategic priority. Examples of such investments include nanotechnology, genomics/proteomics, water sciences, bioinformatics/biomedical and wireless communications technologies.

5: Encourage greater investment in Alberta research and innovation from industry and federal government sources.

6: Increase collaboration and coordination among research performers, funders, and users.

7: Work with other government departments, agencies and public institutions to coordinate science and research-related policies and programs.

8: Promote science and technology awareness.

9: Encourage youth to enter careers in science and technology.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1. Total sponsored research revenue attracted by Alberta universities ($ millions)	434	492	525	562

Source: Innovation and Science, Research Funding at Alberta Universities 2002-2003 Report.

GOAL TWO

Build the capacity and capability needed to support an innovative and globally competitive energy sector.

What it means

Key outcomes associated with this goal:

- Internationally recognized research capabilities in areas of strategic importance.
- Increased collaboration among energy research performers and energy producers.
- Increased joint investments in energy research by industry, the federal government and Alberta.

Strategies

1: Enhance the capacity for energy innovation through strong university and provincial research organization-based programs and high quality research teams.

2: Support field pilot projects that advance the deployment of novel clean energy technologies.

3: Work with partners to support research, development and demonstration in carbon dioxide and water management.

4: Support research into new catalysts for oil sands upgrading and value-added feedstocks.

5: Support feasibility studies on clean coal demonstration and related work on emissions reduction.

6: Work with partners to develop improved methods of recovery from both conventional and non-conventional hydrocarbon sources and to reduce their environmental footprint.

7: Support research into alternative sources for energy such as bioenergy, hydrogen and fuel cells.

8: Create one or more collaborative networks of innovation to accelerate technology development.

9: Maintain close working relationships with, and promote industry collaborative work through, such associations as the Petroleum Technology Alliance of Canada, the Canadian Clean Power Coalition, the Canadian Oil Sands Network for Research and Development, the Canadian Energy Research Institute, and Climate Change Central.

10: Ensure alignment with industry and other government ministries to promote technology advances in energy and to collaborate in the development and implementation of energy innovation programs with other providers within Canada, the United States and elsewhere.

Performance Measure	Last Actual (2003-04)	Target 2004-05	Target 2005-06	Target 2006-07
1. Ratio of other public and private investments in energy research to Innovation and Science investments in energy research* **Source:** Innovation and Science, Strategic Investment Research Database.	New		To be determined	

* Initial estimate is 6.16. Targets will be established in 2004-05.

GOAL THREE

Build the capacity and capability needed to support an innovative and globally competitive information and communications technology sector.

What it means

Key outcomes associated with this goal:

- A skilled workforce to support ICT research and innovation.
- Internationally recognized research capabilities in areas of strategic importance.
- An environment that encourages innovation in ICT research, through collaborative research and networking.

Strategies

1: Work towards creating an ICT institute that will guide ICT research and innovation.

2: Recruit and fund the best researchers in ICT segments where Alberta can be a global leader. These segments include: broadband networks, including wireless; high performance computing; new computational models to support emerging technologies (genomics, nanotechnology, bioinformatics, etc.); and software and multimedia.

3: Encourage industry to fund Research Chairs at Alberta universities.

4: Collaborate with government partners to increase the number of Alberta graduates from ICT related fields of study.

5: Invest strategically in infrastructure, such as wireless test beds, that makes Alberta globally competitive.

6: In cooperation with partners, make strategic investments to enhance Alberta's ICT research and development capability.

7: Increase collaboration between public research institutions, industry and academia in Alberta and other jurisdictions in key enabling technologies.

8: Encourage industry to invest in research projects at public research institutions.

9: Develop and implement a communications plan to increase international awareness of Alberta's strengths in ICT.

Performance Measures	**Last Actual (year)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
1. Total number of ICT researchers and graduate students attracted to Alberta universities by iCORE Inc.				
Research Chairs (major awards)	13	17	17	17
Graduate Students	138	135	135	135
Source: iCORE Inc.	(2002-03)			
2. Ratio of other public and private investments in ICT research to Innovation and Science investments in ICT*	New (2003-04)		To be determined	
Source: Innovation and Science, Strategic Investment Research Database.				
3. Number of Albertans employed in the ICT sector	54,500 (2002)	54,000	55,350	58,118
Source: Statistics Canada, Labour Force Survey.				

* Initial estimate is 2.14. Targets will be established in 2004-05.

GOAL FOUR

Build the capacity and capability needed to support an innovative and globally competitive life sciences sector.

What it means

Key outcomes associated with this goal include:

- A comprehensive approach to link and coordinate agriculture, environment, forestry, health and water research.
- A skilled workforce to support life sciences research.
- Internationally recognized research capabilities in areas of strategic importance.
- Research that contributes to the sustainable growth of the agriculture and food sector.
- Research that increases the global competitiveness and sustainability of Alberta's forestry sector.
- Life sciences development that harmonizes with Alberta values and goals.
- An environment that encourages innovation and collaborative networks in life sciences research.

Strategies

1: Work towards the creation of a Life Sciences Institute to guide life sciences research and innovation.

2: Work with partners to develop mechanisms to attract, train and retain high quality people in areas of opportunity for Alberta life sciences (e.g. bioproducts).

3: Participate with government ministries to develop a long term infrastructure plan to support life sciences research and innovation.

4: In cooperation with partners, make strategic investments to enhance Alberta's life sciences platform technologies, and agriculture and forestry life sciences research and development and innovation capability.

5: Develop mechanisms with industry and other partners, to lead and facilitate the alignment and coordination of research and innovation activity and funding in the areas of agriculture, forestry, environment, health and water.

6: Explore collaborative mechanisms to support research and development in prion sciences, with an initial focus on Bovine Spongiform Encephalopathy (BSE).

7: Develop and implement a communications plan to increase provincial, national and international profile of Alberta's strengths in the life sciences.

8: Work with partners to increase investments in high quality agriculture, forestry and platform technology research and technology development through new programs and strategic research networks.

9: Continue to work with other government ministries, industry and the universities to implement the Life Sciences Strategy.

10: Increase the magnitude and scope of life sciences education and engagement initiatives involving the public, government and industry.

11: Through the Alberta Agricultural Research Institute, continue to lead the implementation of the Alberta Agricultural Research and Innovation Strategic Framework in partnership with the agricultural research and development performers, funders and stakeholders, and in alignment with the Life Sciences Strategy.

12: Through the Alberta Forestry Research Institute, continue to work with industry and other research partners to implement a long-term strategic plan aligned with the Life Sciences Strategy.

Performance Measure	Last Actual (2003-04)	Target 2004-05	Target 2005-06	Target 2006-07
1. Ratio of other public and private investments in life sciences research to Innovation and Science investments in life sciences research*	New		To be determined	

Source: Innovation and Science, Strategic Investment Research Database.

* Initial estimate is 1.87. Targets will be established in 2004-05.

GOAL FIVE 5 Build the capacity and capability needed to support an innovative and globally competitive economy in Alberta.

What it means

Key outcomes associated with this goal include:

- Increased commercialization of energy, ICT, and life sciences research in Alberta.
- Growth of ICT and life sciences sectors in Alberta.
- Commercialization of opportunities resulting from the Alberta Science and Research Authority's investment in energy research.

Strategies

1: Implement initiatives that support a broad technology commercialization and adoption strategy for Alberta.

2: Establish and administer the Innovation Program to support Government of Alberta efforts to develop and implement innovative ideas and initiatives that improve service delivery to Albertans or encourage innovation in the Alberta economy.

3: Facilitate appropriate management assistance/mentoring for startup and small businesses, in collaboration with the Ministry of Economic Development, municipalities and other technology commercialization partners.

4: Work with partners to encourage expatriates and skilled workers to relocate to Alberta.

5: Work collaboratively with partners to develop a plan to enhance entrepreneurial skills.

6: In collaboration with government departments, industry and research institutions, identify and market business opportunities and promote the Alberta Advantage in priority economic growth areas.

7: Provide and facilitate the establishment of facilities, equipment, test beds and expertise to help Alberta post-secondary institutions and industry develop and commercialize new products, processes and services.

8: Facilitate adoption of energy related intellectual property generated by projects funded by Alberta Science and Research Authority.

9: Attract and leverage industry research and development investment through TR*Labs*, industry, post-secondary institutions and Alberta Science and Research Authority initiatives.

10: Attract industrial partners and investment to Alberta and establish initiatives which encourage the creation of early stage seed/venture capital pools and knowledge transfer.

11: Attract industry investment and companies to commercialize technologies in Alberta.

12: Bring forward projects jointly sponsored by Alberta research institutes and the private sector for provincial and federal consideration and support.

13: Facilitate business partnerships and networks between Alberta industry, researchers and government to develop emerging technologies and bring them to market, collaborating with partners in other global jurisdictions.

14: Gather and provide competitive intelligence and information that helps industry make technology development decisions, and conduct environmental scans of Alberta's competitiveness in order to assist in defining appropriate policy recommendations and marketing actions to stimulate industry growth.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1. Percentage of Canadian venture capital invested in Alberta. **Source:** Macdonald and Associates Ltd.	2.6%	2.8%	3.0%	3.4%
2. Number of innovative projects undertaken with support from the Innovation Program. **Source:** Innovation and Science	New	5	To be determined	

Core Business Two: Corporate Information and Communications Technology

The Government of Alberta, through the establishment of the Office of the Corporate Chief Information Officer in October 2003, will focus on transforming the delivery of government programs and services through innovative and cost effective use of information and communications technology (ICT).

The Office of the Corporate Chief Information Officer is focused on priorities that will contribute to more effective use of ICT resources and capabilities across all government departments and with their service delivery partners.

GOAL SIX 6

An integrated corporate information and communications technology (ICT) strategy based on common cross government standards, management practices and frameworks.

What it means

Key outcomes associated with this goal include:

- Overarching corporate strategy that supports aligned investment and maximizes benefits to government.
- Corporate strategy for use of ICT in supporting the administrative needs of government.
- Corporate strategy for the use of ICT in supporting departments in meeting their program delivery.
- Corporate strategy for use of ICT in supporting departments and through them, their service delivery partners, in providing services to Albertans.
- Technical and business standards adopted across government.
- Standardized best practices approaches to system design, development and management.
- ICT projects consistently delivered on time and on budget.
- Providing value for money invested.

Strategies

Corporate Information and Communications Technology Strategy

1: Develop a corporate strategy that facilitates and enables improvement in the delivery of programs and internal government administration.

2: Work closely with departments, their service delivery partners, Alberta Corporate Service Centre, and Service Alberta to establish an integrated, coordinated and aligned strategy consisting of the following key components: Internal Administration, Program Delivery, and Service Delivery through Partners.

Common Standards and Best Practices

3: Proactively establish and implement cross-government business and technical standards to support the development and adoption of common business solutions.

4: Implement the Government of Alberta Enterprise Architecture (GAEA) Framework to minimize duplication and guide systems design.

5: Build on existing privacy protection principles and practices through the ICT privacy framework, the GAEA privacy architecture framework, and improved ICT privacy impact assessment policy and procedures.

6: Work with the Ministry of Government Services and all departments to develop a corporate electronic information management framework.

Common Management Standards and Practices

7: Establish and promote ICT project management best practices through the newly established Corporate Project Management Office.

8: Establish and promote ICT contract management best practices.

9: Define and establish core competency requirements for government staff necessary to professionally manage ICT resources.

10: Define, develop and implement appropriate education, training and communication initiatives to ensure the ICT competencies and skills are in place as and when needed.

Performance Measures	Last Actual (year)	Target 2004-05	Target 2005-06	Target 2006-07
1. Implementation of corporate standards.				
• Percentage of government desktop computers using Office 2000/Windows 2000.	87% (2002-03)	100%	100%	100%
• Percentage of new applications consistent with GAEA Guidelines for Enterprise Architecture.	New (2003-04)	75%	100%	100%
• Percentage of new applications compliant with Secure Access Guideline.	New (2003-04)	100%	100%	100%

Source: Innovation and Science, Office of the Corporate Chief Information Officer.

GOAL SEVEN

An integrated and shared information and communications technology infrastructure.

What it means **Key outcomes** associated with this goal include:

- A network (Alberta SuperNet) in place that includes 4,700 connections to government facilities, schools, health care facilities and libraries in rural and urban Alberta that facilitates the delivery of programs and services in new and innovative ways.
- High-speed, broadband access to 395 rural communities available through Alberta SuperNet.
- Enterprise network capability available to the health, learning and library communities across the province through Alberta SuperNet.
- High-speed, broadband enterprise network capability available to the government through Alberta SuperNet.
- Departments able to transform the delivery of their programs, reduce total costs, and facilitate information sharing using ICT as an enabler.

- Effective evaluation and adoption of new technologies to provide best value for money and time invested.

Strategies

SuperNet

1: Enable high-speed broadband access availability to the residents and businesses located in 395 rural Alberta communities through the construction of Alberta SuperNet.

2: Enable high-speed broadband availability to eligible schools, healthcare facilities, libraries and government facilities across Alberta.

3: Develop, adopt and implement a cross-government framework for applications which can utilize Alberta SuperNet to meet program and service delivery needs.

4: Coordinate and manage the planning, procurement and provision of telecommunication network services for the Government of Alberta.

5: Coordinate and manage Alberta SuperNet operations contract for the Alberta Government.

Integrated Government Information and Communications Technology Infrastructure

6: Identify and adopt best practice options for strategic relationships with the private sector to optimize government's ICT environment.

7: Optimize the government's ICT environment through standardization, rationalization and consolidation of ICT resources across government.

8: Establish and implement practices to evaluate and facilitate the adoption of appropriate technologies which enable improved program and service delivery.

Performance Measures

1. **Extended Area Network.**
   Target: SuperNet services available in 2004 to 395 rural communities including connections to 883 schools, 201 health care facilities, 244 libraries, and 558 government facilities.

   Extended Area Network Performance Measures/Indicators - Status as of January 15, 2004

Extended Area Network Activity	Total	In Place	In Progress	To Complete*
Inter-community Conduit (kms)	7601	5761	14	1840
Inter-community Fiber (kms)	7601	4712	114	2889
Inter-community Wireless (kms)	1814	76	366	1738
Points of Presence Buildings	402	118	12	284
Access Agreements	405	343	62	62
Community Engineering Plans	402	281	77	121
Community Construction	402	30	73	372
Wireless Towers	101	31	7	70
Wireless Shelters	83	26	2	57
Communities Fully Connected	402	11	92	391
Government Facilities Fully Connected	558	32	152	526
Health Facilities Fully Connected	201	16	64	185
Libraries Fully Connected	244	7	77	237
Schools Fully Connected	883	48	253	835

* Includes "In Progress" numbers.

2. **Base Area Network.**
Target: SuperNet services available from Bell West in 2004 to 1231 schools, 258 health care facilities, 65 libraries and 744 government facilities in 27 Base Area Communities.

Base Area Network Performance Measures/Indicators - Status as of January 15, 2004

Base Area Activity	**Total**	**In Place**	**In Progress**	**To Complete***
Inter-city Fiber (kms)	2560	2555	5	5
Communities Completed	27	0	27	27
Government Facilities Connected	744	218	18	526
Health Care Facilities Connected	258	16	3	242
Libraries Connected	65	2	3	63
Schools Connected	1231	28	55	1203

* Includes "In Progress" numbers.

3. **ICT Infrastructure, Rationalization and Consolidation - Implementation of corporate infrastructure services.**

	Last Actual (2002-03)	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
Implementation of corporate infrastructure services				
• Directories	50	35	25	1
• E-Mail Systems	15	1	1	1
• Number of Servers	1,300	1,700	1,105	650
• Desktops using corporate standard configuration	Most of the 24,500+ GOA desktops have different configurations	8,000	20,000	24,000
• Servers using corporate standard configuration	400 Servers have different (unique) configurations	100	250	400
• Server Locations	350	300	150	10

Source: Innovation and Science, Office of the Corporate Chief Information Officer.

GOAL EIGHT

To support and improve the delivery of programs and services to Albertans and support improvements in the internal administration of government using ICT as an enabler.

What it means

Key outcomes associated with this goal include:

- Increased ability of Albertans to obtain services electronically from the government when they choose to do so.
- Aligned approaches which build on common standards and frameworks to enhance service delivery to Albertans cost effectively.
- Elimination of unnecessary duplication in application development.
- Cost avoidance or mitigation related to the provision of services and in response to meeting changing needs.
- Provision of internal transaction oriented administration services optimized where ICT can facilitate cost effective process improvements.
- Productivity of the staff dedicated to supporting internal administrative functions improved where ICT can facilitate cost effective process improvements.

Strategies

Programs and services delivered by Government departments

1: Work with individual departments who have common clients in ways which respect confidentiality and privacy, to identify, evaluate, adopt and implement approaches to improve service delivery and/or reduce costs.

2: Identify the best practice technologies and standards that need to be implemented across government to optimize program delivery to Albertans.

3: Identify opportunities to transform the delivery of programs and services provided to Albertans by leveraging the capabilities of Alberta SuperNet.

Programs and services delivered through service delivery partners

4: Identify common opportunities and develop a joint approach for consideration by the government focused on leveraging investments, including investments in Alberta SuperNet, to mutual benefit.

5: Identify best practice technologies and standards that need to be implemented to optimize program delivery to Albertans.

Optimize the internal administration of government

6: Work with the Alberta Corporate Service Centre in re-engineering administrative business processes to improve the overall efficiency of government administration.

7: Identify opportunities to provide managers with access to relevant and timely information through the increased use of the Alberta Government Integrated Management Information System (IMAGIS) which would significantly improve efficiency and cost effectiveness.

Performance Measure

Under development. The Corporate Chief Information Officer will complete a survey of all departments in 2004-05 to establish priorities and baselines. The survey will be used to identify:

- common opportunities to improve service delivery and/or reduce costs,
- best practice technologies and standards,
- opportunities to transform the delivery of programs and services through Alberta SuperNet, and
- common opportunities in service delivery through service delivery partners.

CORPORATE ACTIVITIES

The following corporate divisions within the Ministry of Innovation and Science ensure resources are used effectively and efficiently to support Ministry goals and strategies:

- Department Chief Information Officer
- Communications
- Finance Division
- Human Resource Services
- Policy and Strategic Planning

TRACKING EMPLOYEE SATISFACTION/UNDERSTANDING OF CONTRIBUTION

The Ministry will continue to track employee satisfaction and understanding of contribution to the Ministry Business Plan. Targets have been established for several measures, as indicated in the following table:

	Last Actual (2003-04)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of employees who know and understand how their work contributes to the achievement of their department business plan	78%	87%	93%	100%
Percentage of employees who are very/somewhat satisfied with their employment at Innovation and Science/ Government of Alberta	84%	88%	92%	95%
Percentage of employees who agree that Innovation and Science provides the support they need to acquire or develop knowledge and skills in their current job	70%	79%	82%	85%
Percentage of employees indicating that their organization provides expected outcomes for their work	62%	75%	80%	85%
Percentage of employees indicating that their organization helps them know and understand how well they are performing	64%	70%	78%	85%

CROSS-MINISTRY IMPACT

Ministry activities support the achievement of objectives and targets related to the following Cross-Ministry Initiatives:

- Aboriginal Policy Initiative
- Alberta Children and Youth Initiative
- Economic Development Strategy
- Health Sustainability Initiative

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Research and Innovation	144,398	188,913	170,947	157,756	169,869	182,663
Office of the Corporate Chief Information Officer	54,421	51,202	53,277	61,614	76,459	76,549
MINISTRY EXPENSE	198,819	240,115	224,224	219,370	246,328	259,212

CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Research and Innovation	2,157	3,414	3,414	3,646	3,687	3,688
Office of the Corporate Chief Information Officer	88,097	62,200	30,675	44,000	3,000	3,000
MINISTRY CAPITAL INVESTMENT	90,254	65,614	34,089	47,646	6,687	6,688

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	185,144	127,497	127,497	110,285	70,285	68,785
Investment Income	931	840	840	840	840	840
Other Revenue	50,015	65,790	48,324	46,734	52,757	62,941
MINISTRY REVENUE	236,090	194,127	176,661	157,859	123,882	132,566
EXPENSE						
Program						
Research and Innovation						
Operations and Policy Implementation	7,930	8,340	8,340	11,466	11,576	11,686
Innovation Program	-	-	-	7,000	11,000	15,000
Alberta Science and Research Authority:						
Investing in Energy Research						
Alberta Energy Research Institute:						
- Climate Change	-	5,000	5,000	6,000	7,000	8,000
- Energy Research Strategy	6,855	6,940	6,940	8,595	12,595	12,595
Investing in Life Sciences						
Alberta Agricultural Research Institute	9,117	8,875	8,875	8,675	8,675	8,675
Alberta Forestry Research Institute	1,775	2,060	2,060	2,510	2,510	2,510
Investing in Information and Communications Technology						
iCORE Inc. (Informatics Circle of Research Excellence)	10,051	10,000	10,100	10,110	11,010	11,010
Investing in Research Capacity						
Alberta Science and Research Investment Program	40,567	39,222	39,222	33,495	28,495	25,995
Technology Commercialization Initiatives	3,530	3,675	3,675	3,615	3,615	3,615
Alberta Research Council Inc.:						
- Core Research Funding	26,575	27,135	27,135	27,082	27,082	27,082
- Contract Research	35,365	53,467	35,401	36,075	43,178	53,362
Office of the Corporate Chief Information Officer:						
Corporate CIO Office	-	-	-	439	439	439
Strategic Leadership and Services	11,312	10,576	10,576	11,292	11,287	11,287
Network Infrastructure and Management	35,286	32,428	34,503	29,351	29,351	29,351
Network/IMAGIS Amortization	5,299	5,429	5,429	17,399	32,249	32,339
Ministry Support Services	5,047	5,538	5,538	6,266	6,266	6,266
Valuation Adjustments and Other Provisions:						
Contributions to the Alberta Heritage Science and Engineering Research Endowment Fund*	-	21,430	21,430	-	-	-
Other Valuation Adjustments	110	-	-	-	-	-
MINISTRY EXPENSE	198,819	240,115	224,224	219,370	246,328	259,212
Gain (Loss) on Disposal of Capital Assets	(1,061)	-	-	-	-	-
NET OPERATING RESULT	36,210	(45,988)	(47,563)	(61,511)	(122,446)	(126,646)

* Contributions to the Alberta Heritage Science and Engineering Research Endowment Fund from Department of Innovation and Science have been restated for the Comparable 2003-04 Budget to reflect the actual reporting method used.

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	236,090	194,127	176,661	157,859	123,882	132,566
Inter-ministry consolidation adjustments	(200,154)	(145,931)	(141,220)	(124,441)	(85,082)	(84,761)
Consolidated Revenue	35,936	48,196	35,441	33,418	38,800	47,805
Ministry Program Expense	198,819	240,115	224,224	219,370	246,328	259,212
Inter-ministry consolidation adjustments	(15,010)	(39,864)	(35,153)	(14,156)	(14,797)	(15,976)
Consolidated Program Expense	**183,809**	**200,251**	**189,071**	**205,214**	**231,531**	**243,236**
Gain (Loss) on Disposal of Capital Assets	(1,061)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(148,934)	(152,055)	(153,630)	(171,796)	(192,731)	(195,431)

CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Research and Innovation						
Operations and Policy Implementation	-	-	-	300	300	300
Alberta Research Council Inc.	2,157	3,414	3,414	3,346	3,387	3,388
Office of the Corporate Chief Information Officer						
Alberta SuperNet	85,357	58,700	27,700	41,000	-	-
Strategic Leadership and Services	1,506	2,500	2,500	1,750	1,750	1,750
Network Infrastructure Management	1,234	1,000	475	1,250	1,250	1,250
MINISTRY CAPITAL INVESTMENT	90,254	65,614	34,089	47,646	6,687	6,688

International and Intergovernmental Relations

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Halvar C. Jonson, *Minister of International and Intergovernmental Relations*
March 2, 2004

THE MINISTRY

The Ministry of International and Intergovernmental Relations consists of three main sections: Canadian Intergovernmental Relations, International Relations, and Trade Policy. Collectively, these sections seek to ensure that Alberta's relations with other governments in Canada and abroad are coordinated and consistent with the priorities of the Government of Alberta. The Ministry is a single entity and does not have any agencies or boards as part of its operations.

LINK TO THE GOVERNMENT BUSINESS PLAN

The Ministry's core businesses and goals are aligned with and support a number of government goals and key administrative initiatives. In particular, International and Intergovernmental Relations plays a key role in the government's Goal 7 – *Alberta will have a prosperous economy* and Goal 8 – *Alberta will have a financially stable, open and accountable government and a strong intergovernmental position in Canada.*

VISION

A strong Alberta, active in an open world and in a prosperous, united Canada.

MISSION

To lead the development of government-wide strategies and policies for Alberta's relations with international governments and organizations and with federal, provincial and territorial governments in Canada.

CORE BUSINESSES

Core Business 1: Canadian Intergovernmental Relations

Goal 1 - Promoting the interests of, and securing benefits for, Alberta as an equal partner in a revitalized, united Canada

Core Business 2: International Relations

Goal 2 - Promoting the interests of, and securing benefits for, Alberta from strengthened international relations

Core Business 3: Trade Policy

Goal 3 - Promoting the interests of, and securing benefits for, Alberta from greater trade and investment liberalization, domestically and internationally

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

- The creation of new intergovernmental institutions and frameworks, such as the Council of the Federation and the Alberta-British Columbia Protocol of Cooperation, along with annual First Ministers' Meetings, will provide opportunities for Alberta and other provinces to work collaboratively and to influence the national agenda.
- Prime Minister Martin's pledge to address the issue of western alienation offers opportunities and challenges for the pursuit of Albertans' priorities and expectations with the federal government.
- Premier's international missions will create opportunities to open new markets for Alberta, and to better compete in the international marketplace.
- The opening of an Alberta Office in Washington, D.C. will help build relationships with American decision makers and advance Alberta's interests.
- Alberta will continue to manage implications of a dynamic international environment, such as ongoing international terrorism and the unexpected developments we saw in 2003 (e.g., the Iraq War, SARS, BSE).
- Maintaining and improving Alberta's relations with the United States will continue to be a key focus of Alberta. This will be a challenge with the pending United States elections in 2004 and United States protectionism.
- The unsuccessful World Trade Organization Ministerial Conference in Cancun in September 2003 makes a conclusion of the World Trade Organization negotiations by January 2005 more difficult.
- Nation-wide progress on internal trade matters will depend on reinvigorated provincial enthusiasm as initiated by the Premiers through the Council of the Federation. Bilateral trade agreements between Alberta and like-minded provinces will be an option as well.
- A conclusion to the softwood lumber dispute with the United States will be affected by the outcome of ongoing North American Free Trade Agreement and World Trade Organization litigation, as well as the willingness of provinces to consider changes to their forest management practices and the receptiveness of the United States industry to those changes.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. **Successfully conducting and coordinating intergovernmental negotiations to advance Alberta's interests in Confederation.**

   Linkage: Goal 1 Important negotiations will include such issues as the operation of the Council of the Federation, health care, climate change, and fiscal arrangements. Alberta will be vice Chair of the Council of the Federation in 2004 and Chair in 2005.

2. **Successfully promoting Alberta by strengthening international relations.**

   Linkage: Goal 2 Major initiatives will include: working with the new federal government to refocus Canada's relations with the United States and enhancing bilateral relations (Premier's missions; Alberta's Washington D.C. Office; Alberta-Alaska Bilateral Council; Memorandum of Understanding with western Ukraine oblasts; 30th Anniversary of the Alberta - Gangwon, Korea twinning).

3. **Successfully participating in international negotiations to advance Alberta's interests with important trading partners (such as World Trade Organization negotiations, United States).**

   Linkage: Goal 3 Expanded trade liberalization and foreign market access for Albertans through international trade and investment agreements.

4. **Building upon and enhancing the benefits from the Agreement on Internal Trade with like-minded Canadian jurisdictions.**

   Linkage: Goal 3 Expanded Canadian internal trade liberalization which promotes the free flow of goods, services, capital and labour across Canada.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Canadian Intergovernmental Relations

GOAL ONE

Promoting the interests of, and securing benefits for, Alberta as an equal partner in a revitalized, united Canada

What it means Effective participation by Alberta in the Canadian federation.

Strategies

- Advance Alberta's interests and ensure that Alberta's priorities are addressed at intergovernmental meetings of First Ministers, Ministers and officials.
- Provide policy analysis and strategies, and coordinate input from other Alberta ministries for Alberta's participation in annual First Ministers' Meetings, meetings of the Council of the Federation, and Ministerial meetings.
- Work with Alberta ministries to develop strategies for coordinated and consistent approaches to intergovernmental issues and processes.
- Assist Alberta ministries in the development of intergovernmental agreements, and review the agreements to ensure that they reflect Alberta's intergovernmental objectives and priorities.

What it means A federal system that better serves the needs of Albertans and Canadians.

Strategies

- Promote both interprovincial and federal-provincial solutions to improve the efficiency and effectiveness of the federation through the reduction of overlap and duplication between governments, the reform of institutions (e.g., the Senate) and the reform of federal-provincial financial arrangements.
- Promote federal-provincial solutions to redesign federal-provincial financial arrangements including the Canada Health Transfer, the Canada Social Transfer, equalization and cost-sharing arrangements.
- Work with Alberta ministries to develop strategies for Alberta's intergovernmental relations, to ensure Alberta plays a leadership role within the federation.
- Develop strategies and policy options, in conjunction with Alberta ministries, with respect to key intergovernmental policy issues such as climate change, Aboriginal governance, health care, education, social services, and urban issues.

What it means Effective leadership by Alberta that supports a strong, united and secure Canada.

Strategies

- Develop policy recommendations and strategies on national unity and other related issues as they emerge.
- Work with the federal government, other provinces, the private sector and other key stakeholders to update and strengthen coordinated policy responses to issues relating to the security of the province and people of Alberta.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Public approval rating in federal/provincial relations compared to the average of the four nearest provinces	4% higher than average	at least at the average of the four nearest provinces		

Every second year, the Ministry's performance measures also include a client survey. The next client survey will be completed in spring 2005.

International and Intergovernmental Relations' goals are usually long term and their achievement is affected by external factors such as the economy and relations between governments. For these reasons, the Ministry's goals are often best measured in qualitative rather than quantitative ways. The chief qualitative measure used by the Ministry is the narrative account of achievements outlined in successive annual reports. Through narrative records, the Ministry outlines intergovernmental outcomes and events with a view to assessing how they contributed to the achievement of the province's objectives. For Goal 1, the narrative measures relate to the achievements at key intergovernmental conferences during the year such as Premiers' Conferences.

Also included as performance measures are intermediate outcomes/progress reports on major initiatives. For Goal 1, an example of such an intermediate outcome is the Provincial/Territorial Council on Social Policy Renewal Progress Report to Premiers.

Core Business Two: International Relations

GOAL TWO

2

Promoting the interests of, and securing benefits for, Alberta from strengthened international relations

What it means Intergovernmental relationships, which facilitate the two-way flow of goods, services, people and investment between Alberta and the United States.

Strategies

- Work with the federal government to refocus and strengthen Canada/United States relations.
- Establish an Alberta Office in Washington, D.C.
- Build and maintain alliances with key United States decision makers and organizations (e.g., Alberta-Alaska Bilateral Council).
- Provide strategic direction to new Alberta initiatives in the United States.
- Manage emerging issues related to Canada/United States integration (e.g., improved border practices, North American energy market).
- Work with other ministries and the private sector to enhance United States understanding of Alberta as a secure and reliable supplier of energy.
- Provide intelligence and policy advice to Alberta stakeholders on United States issues and developments.

What it means A strategic approach to Alberta's international relations that effectively promotes the province's interests and priorities to foreign governmental decision-makers.

Strategies

- Provide leadership and coordination for missions by the Premier and International and Intergovernmental Relations Minister; advise on other ministerial missions.
- Provide strategic advice to ministries and stakeholders under Alberta's International Strategy.
- Provide leadership on initiatives with Alberta's thirteen sister provinces (twinnings).
- Develop strategically focused programs that showcase Alberta's strengths to foreign visitors to Alberta.
- Provide information and advice to clients and partners (Alberta offices, Canadian posts, foreign embassies and consulates) so they can help profile Alberta.
- Support the work of the Advisory Council on Alberta-Ukraine Relations in enhancing bilateral relations with Ukraine.
- Assist Alberta ministries in the development of international government-to-government agreements that reflect Alberta's international objectives and priorities.
- Coordinate Alberta's input to federal foreign policy development.

What it means Effective contribution by Alberta to international development in the area of governance.

Strategies

- Work with Alberta ministries to share best practices with foreign partners.
- Develop partnerships in support of private sector and educational institutions pursuing projects funded by International Financial Institutions.
- Design, implement and manage governance projects, particularly in priority countries.

Performance Measures

As mentioned in Goal One, the Ministry's goals are often best measured in qualitative rather than quantitative ways. The chief qualitative measure for Goal 2 is the narrative account of achievements outlined in successive annual reports. Through these narrative records, the Ministry outlines international outcomes and events with a view to assessing how they contributed to the achievement of the province's objectives. Other narrative measures related to Goal 2 include:

- reports on Premier's international missions
- reports on Alberta's accomplishments at Canada/United States transboundary meetings
- newsletters by the International Governance Office, and the Advisory Council on Alberta-Ukraine Relations.

Every second year, a client survey is conducted as one of International and Intergovernmental Relations' performance measures for all goals. The next client survey will be completed in spring 2005.

Core Business Three: Trade Policy

GOAL THREE

Promoting the interests of, and securing benefits for, Alberta from greater trade and investment liberalization, domestically and internationally

What it means Expanded trade liberalization and foreign market access for Albertans through international trade and investment agreements.

Strategies

- Remove or reduce barriers to trade and investment through direct negotiation. Participate with the federal government in negotiations to ensure Alberta's objectives are addressed.
- Develop a formal federal-provincial agreement that stipulates full provincial participation in Canada's negotiation of agreements affecting provincial jurisdiction or interests.
- Consult and work with private and public sector organizations to promote and pursue the benefits of free trade.
- Manage government-wide implementation of the North American Free Trade Agreement, the World Trade Organization Agreement and other agreements. Anticipate and prevent disputes.
- Coordinate Alberta's approach to deeper integration of North American trade policies (e.g., "NAFTA-plus", streamlined North American Free Trade Agreement rules of origin, customs area).
- Coordinate Alberta's participation in World Trade Organization negotiations on issues involving provincial jurisdiction (e.g., environment, labour, agriculture, competition/business regulation, and services) and in other regional and multilateral negotiations (e.g., Free Trade Area of the Americas, Asia-Pacific Economic Cooperation).
- Manage disputes and defend Alberta's interests under the North American Free Trade Agreement, World Trade Organization and other agreements.
- Work with other Alberta ministries to implement the trade policy component of Alberta's international strategy in a targeted, coherent manner.

What it means Expanded Canadian internal trade liberalization which promotes the free flow of goods, services, capital and labour across Canada.

Strategies

- Remove or reduce barriers to internal trade, investment and labour mobility through direct negotiation with the federal government and other provinces and territories.
- Consult and work with private and public sector organizations to promote and pursue the benefits of free trade.
- Coordinate Alberta's participation in the Agreement on Internal Trade.
- Manage the government-wide implementation of the Agreement on Internal Trade. Anticipate and prevent disputes.
- Manage disputes and defend Alberta's interests in the Agreement on Internal Trade.
- Work with other Canadian governments to enhance domestic trade through bilateral and multilateral negotiations and other regional agreements.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Softwood Lumber Dispute Resolution	New	A long term solution by December 31, 2005		
Public approval rating in federal/provincial relations compared to the average of the the four nearest provinces	4% higher than average	at least at the average of the four nearest provinces		

As mentioned in Goal 1, the Ministry's goals are often best measured in qualitative rather than quantitative ways. For Goal 3, the chief qualitative measure is the narrative account of achievements in international and internal trade negotiations, the management of trade disputes and the implementation of obligations in trade agreements. Intermediate outcomes include reports from international and domestic meetings of Ministers responsible for trade in which Alberta participated. Through these narrative records, the Ministry outlines trade policy outcomes and events with a view to assessing their contribution to the achievement of the province's objectives.

Every second year, a client survey is conducted as one of International and Governmental Relations' performance measures for all goals. The next client survey will be completed in spring 2005.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Canadian Intergovernmental Relations	2,375	2,576	2,576	3,530	3,531	3,533
International Relations	2,358	2,501	2,501	3,549	3,550	3,552
Trade Policy	1,327	1,391	1,391	1,420	1,423	1,424
MINISTRY EXPENSE	6,060	6,468	6,468	8,499	8,504	8,509

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Other Revenue	9	-	-	-	-	-
MINISTRY REVENUE	9	-	-	-	-	-
EXPENSE						
Program						
International and Intergovernmental Relations	6,073	6,468	6,468	8,499	8,504	8,509
Valuation Adjustments and Other Provisions	(13)	-	-	-	-	-
MINISTRY EXPENSE	6,060	6,468	6,468	8,499	8,504	8,509
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(6,051)	(6,468)	(6,468)	(8,499)	(8,504)	(8,509)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	9	-	-	-	-	-
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Revenue	9	-	-	-	-	-
Ministry Program Expense	6,060	6,468	6,468	8,499	8,504	8,509
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**6,060**	**6,468**	**6,468**	**8,499**	**8,504**	**8,509**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(6,051)	(6,468)	(6,468)	(8,499)	(8,504)	(8,509)

Justice

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Dave Hancock

David Hancock, *Minister of Justice and Attorney General*
March 5, 2004

THE MINISTRY

The Ministry of Justice includes the Department of Justice, the Alberta Review Board, the Fatality Review Board, Judicial Council, Notaries Public Review Committee, Provincial Court Nominating Committee, and the Rules of Court Committee.

The Department of Justice is responsible for Alberta's laws, prosecutions, the courts, the provision of legal advice to government, and ensuring the justice system meets the needs of Albertans. The Department also protects the legal interests of Albertans in need through the Maintenance Enforcement Program, Public Trustee services and support for legal aid. Strategic Services, Aboriginal Justice Initiatives Unit, and Human Resource Services provide strategic support to both the Ministry of Justice and the Ministry of Solicitor General.

LINK TO THE GOVERNMENT BUSINESS PLAN

While the Ministry's core businesses and goals are aligned with and support a number of government goals and priorities, Alberta Justice plays a key role in Goal 9 of the Government of Alberta business plan - *Alberta will be a fair and safe place to work, live and raise families.*

The Ministries of Justice and Solicitor General share the responsibility for administering the province's justice system and work together with partners to achieve a modern, responsive and trusted justice system in Alberta. Together, the ministries share the vision of a province where Albertans feel safe in their homes and where communities are safe places to live, work, and raise families. The Ministry works to achieve this vision through joint initiatives with community partners and through its participation in cross-ministry policy initiatives.

A modern, responsive, and trusted justice system is the foundation for a safe and caring community, reflecting core values such as self-reliance, personal security, and respect for the rule of law. Such a system gives victims a voice in the criminal justice process and responds to their needs, while holding offenders accountable. It focuses on preventative strategies, expands the availability and scope of dispute resolution options, and uses technology to facilitate access to justice services. A modern, responsive and trusted justice system also sustains family life by helping families resolve conflicts and contributes to economic prosperity by creating a safe climate for investors and provides individuals and businesses with efficient ways to resolve disputes.

VISION

A fair and safe society supported by a trusted justice system.

MISSION

To protect the rights of all citizens and advance the goals of society by fostering: Safe communities; Access to justice; Respect for the law; Understanding of, and confidence in, the justice system; and the legal foundation for social cohesion and economic prosperity.

CORE BUSINESSES

Core Business 1: **Prosecutions**
Goal 1 - Promote safe communities in Alberta
Goal 2 - Work with Solicitor General to ensure victims have a more meaningful role in the criminal justice system

Core Business 2: **Justice Services to Albertans in Need**
Goal 3 - Provide access to justice services for Albertans in need

Core Business 3: **Courts**
Goal 4 - Promote a fair and accessible civil and criminal justice system
Goal 5 - Improve knowledge of, and confidence in, the justice system

Core Business 4: **Legal and Strategic Services to Government**
Goal 6 - Assist government ministries to achieve their objectives through provision of effective legal and related strategic services

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Recognizing trends, identifying new challenges, and being aware of changes in a diversity of socio-economic sectors is an important part of setting the Ministry's strategic priorities and addressing justice concerns for Albertans.

The following external factors are considered as opportunities and challenges that could affect the Ministry's ability to develop future goals and strategies.

DEMOGRAPHICS

Between 1996 and 2001, Alberta's population increased 10.3%. This represents the highest growth rate of all Canadian provinces. Alberta has the nation's youngest population with over half of its citizens under 35. This group tends to be over-represented in the justice system. Therefore, service delivery and resources need to be made available to address the growing demand.

In 2001, 80.9% of Alberta's population resided in urban areas. As an increasing number of people move to Alberta cities, unique justice issues relating to resources, funding and types of crime also need to be addressed.

Impoverished people are also disproportionately involved with the justice system. Both demand for legal aid services and the cost of providing those services are increasing. A growing homeless population may contribute to citizens' fear, and inaccurate perceptions, of crime.

CRIME TRENDS

While the province's overall crime rate remained the lowest in Western Canada in 2002, Alberta's crime rate increased by 2.5% to 9,310/100,000. In 2002, Alberta's overall youth crime rate increased by 1.2%, with violent crimes decreasing 0.3%, and property crimes increasing by 6.2%.

In recent years the rate of major economic crime has increased. The rising frequency of criminal activity on the Internet presents an increasing threat to public safety. Western democracies, which were once perceived as safe, are now possible targets of terrorist activity. Child exploitation, including child pornography, Internet luring, and the involvement of youth in prostitution, is a growing concern across Canada.

The economic and social impact of organized crime in Alberta is far-reaching. This includes the increased need for health and social welfare programs, added consumer costs associated with credit card fraud and rising insurance rates, and the social costs of drug use by youth.

Substance abuse and related criminal activities, such as the presence of methamphetamine labs in Alberta, is also cause for concern. Some communities perceive methamphetamine abuse as the driving force behind local property crime. The problem is expected to increase if addiction spreads.

VICTIMS

The Ministry continues to work to ensure victims have a more meaningful role in the criminal justice system. This includes Victim Impact Statements, which provide victims with the opportunity to express their feelings directly to the court and explain the loss they have suffered as a result of a crime. In response to the recommendations of the 1999 Justice Summit, the Ministry is assisting the Solicitor General in implementing a ten-year vision that will provide strategic direction for victims' programs and services.

ABORIGINAL ALBERTANS

In 2001, Aboriginal people represented nearly 7% of Alberta's population. Approximately one-third of admissions to custody in Alberta were of Aboriginal descent. Moreover, the Aboriginal population is over-represented at all stages in the criminal justice system, both as victims and offenders.

Aboriginal self-governance is an evolving area where new issues and challenges are arising continuously and may serve to re-define roles and relationships between First Nations, provinces and the federal government.

CHANGING LEGISLATION

Changes in legislation reflect on-going social changes in society. Proposed legislative changes that will affect the justice system in Alberta include:

- the new *Family Law Act*;
- the *Child Welfare Amendment Act*;
- the *Adult Interdependent Relationships Act*;
- changes to federal narcotics legislation to decriminalize possession of small amounts of marijuana, and
- proposed changes to the federal *Divorce Act*.

THE COURTS

Civil and criminal court cases are becoming increasingly complex. In addition, the increased number of self-represented litigants in all levels of court puts pressure on the efficiency of the court process.

Consultation will continue on the single trial court, including a centre of excellence for commercial dispute resolution. A unified family court is proposed for 2005-06 based on the progress of discussions between the Government of Alberta and the federal government. This follows from the Unified Family Court Task Force public consultation held in 2000 and the subsequent government response. The court annexed mediation program in the Court of Queen's Bench will be implemented.

COMMUNITY ISSUES

Alberta's incidence of impaired driving is increasing compared to the rest of Canada. Impaired driving continues to be a major cause of traffic deaths in the province.

Family violence continues to be a serious problem that crosses all socio-economic levels in Alberta. The coordinated effort of all levels of government and community partners is required to address and help prevent family violence.

The cognitive limitations of people with special needs, Fetal Alcohol Spectrum Disorder (FASD), and mental health disorders may increase their vulnerability of becoming involved with the criminal justice system. The needs of these individuals are unique and generate special considerations such as diversion from the criminal justice system to treatment-based alternatives in appropriate cases, fitness to stand trial, criminal intent, and admissibility of statements.

JUSTICE SYSTEM INFRASTRUCTURE

The Ministry continues to look for ways to improve how it does business. By ensuring the most effective and efficient use of resources in meeting the ministry's goals, and by allowing our justice system to continue to evolve to meet society's needs, the Ministry will help to create a stronger justice system that is both responsive and responsible.

As the workforce ages, the Ministry is working to put in place continuity strategies that will help to retain experienced leaders and prepare people to assume critical roles over the next decade.

The SuperNet will provide the necessary infrastructure for high-speed network connections and high-bandwidth applications such as video conferencing. This may also provide greater opportunities and an improved return on investments for e-justice services. The Ministry is considering the provision of services such as e-filing and case management of civil matters. Also being explored are such initiatives as closed circuit television appearances for judicial interim release hearings and adjournment applications and elections.

The Ministry's commitment to provide quality services and meet client expectations, through the use of innovative electronic communication channels, has created unique workload pressures that require innovative solutions.

PARTNERSHIPS

The public expects the justice system to develop strategies and approaches to deal with criminal behaviour. The Ministry recognizes that an effective and efficient justice system is based on partnerships with community stakeholders and this needs to be reflected in all social institutions, particularly within the family and the community.

Albertans' perceptions of crime and their confidence in the justice system is influenced by personal experience and by information obtained through the media. The Ministry, in working with its partners, has an important role to play in helping to increase Albertans' awareness, education and understanding about the justice system.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal opportunities and challenges, the following strategic priorities were identified. These equally important priorities are listed in addition to the core activities of the Ministry.

1. Partnerships **Linkage:** **Goals 1, 2, 3, 4, 5 and 6**	One of the key challenges of the justice system is to maintain and improve access. To help achieve this, the Ministry will continue to work with its diverse stakeholders to review its programs and services to address changing needs.
2. Families **Linkage:** **Goals 1, 2, 3, 4 and 6**	Families are the foundation of society. While it is important to promote self-reliance of Alberta families, programs and services that respond to issues of family violence, spousal and child support (and their related legal issues), must also be in place to help ensure quality of life and family integrity.
3. Victims **Linkage:** **Goals 1, 2 and 5**	Recognizing the needs of victims, and providing the opportunity for them to have a more meaningful role in the criminal justice system, helps victims achieve closure and restore a feeling of safety in the community. It is through providing access to effective services, and expanding the role victims play in the criminal justice system that a sense of justice is restored in society.
4. Aboriginal Policy Initiative **Linkage:** **Goals 1, 3, 4 and 6**	The Ministry is a co-champion of the Aboriginal Policy Initiative, which seeks to improve the well-being and self-reliance of Aboriginal people and to clarify federal, provincial and Aboriginal roles and responsibilities. The Ministry is working with other ministries, Aboriginal communities and stakeholders to develop initiatives and strategies that focus on restorative justice, confidence and trust in the criminal justice system, and promoting safe communities.
5. Alberta Children and Youth Initiative **Linkage:** **Goals 1, 2, 3 and 6**	The Ministry has a role to play in providing sufficient social supports to vulnerable children and youth to assist society in achieving positive outcomes. However, when youth commit crimes, it is recognized that they must be held appropriately accountable and encouraged to behave more responsibly. Justice is a partner in the Cross-Ministry Alberta Children and Youth Initiative.
6. Public Knowledge **Linkage:** **Goals 1, 2, 3, 4 and 5**	With numerous stakeholders involved in the process, it is a continuous challenge to coordinate initiatives and to ensure effective communication with the public. Timely, coordinated, accurate, and accessible information will improve the knowledge and confidence of the public in the justice system.
7. Business and Policy Practices **Linkage:** **Goals 1, 2, 3, 4 and 6**	The Ministry has embarked on an organizational renewal initiative, which includes establishing the Policy Secretariat. This is intended to help increase the Ministry's capacity to develop and influence policy, create more effective stakeholder relationships, optimize the quality of services delivered, enhance proactive planning and decision making, and ensure long-term viability of the Ministry.

8. Organized Crime and Terrorism

Linkage: Goals 1, 3, 4 and 6

The Ministry will work in cooperation with other ministries, the federal government, and regulatory and law enforcement agencies to prosecute individuals involved in organized crime, and technology, Internet and economic crime to help reduce the negative consequences to society. Further, to protect the safety and security of Albertans, the Ministry will work with these stakeholders to remain vigilant to threat assessments; to ensure that all relevant provincial and federal legislation is sufficient to provide authorities with the necessary tools to investigate those involved in terrorist activities and to deal with emergent situations; and, to prosecute those involved in terrorist activities.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Prosecutions

The Criminal Justice Division prosecutes persons charged with *Criminal Code* and provincial statute offences. The division promotes safe communities by working with individuals and organizations in the community to identify and implement improved and alternative approaches to the administration of criminal justice. In addition, the division develops criminal law policy for the province and supports criminal law consultation with other levels of government.

GOAL ONE

Promote safe communities in Alberta

What it means

Albertans told the Ministry, through the Justice Summit in 1999 and the Future Summit in 2002, that they want peaceful communities in which they can live, work and raise families in safety and security without fear of crime or victimization.

Strategies

1.1 Work with partners to modernize the business, communication and administrative processes within the criminal justice system to enhance the administration of criminal justice within the courts and support alternative options to the formal court process, where appropriate. Through the organizational renewal, the Ministry will enhance knowledge management capacity for criminal justice staff and modernize the criminal justice system in relation to; movement of cases through docket court, early case resolution, use of paralegals, disclosure, electronic court briefs and First Appearance Centres.

1.2 Advance Alberta's position regarding reforms to criminal law and the administration of justice to the federal government, including conditional sentences, making child murder automatically first degree murder, pursuing stronger protection for children from pornography, Internet luring, and sexual exploitation and abuse, and preliminary inquiry reforms.

1.3 Work with partners (e.g. police services) in developing policies to address issues such as chronic impaired drivers and methamphetamine labs to move toward outcomes that enhance community safety.

1.4 Work with federal/provincial/territorial governments, police and other enforcement agencies to implement strategies to address organized crime, economic crime, technology crime and exploitation of children via the Internet.

1.5 Enhance specialized courts and processes to more effectively address the root causes of crime, such as mental illness, Fetal Alcohol Spectrum Disorder (FASD) and violence in relationships.

Performance Measures*	**Last Actual (2002-03)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
Public Perception of Safety in the Home The percentage of Albertans who feel "not at all worried" about their safety from crime when alone in their own homes. **Source**: Annual Public Opinion Survey	73%	75%	75%	75%
Public Perception of Safety in the Neighbourhood The percentage of Albertans who feel "reasonably safe" to "very safe" walking alone in their area after dark. **Source**: Annual Public Opinion Survey	77%	82%	82%	82%

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* The target for the Safety In the Home measure is lower than the target for Safety in the Neighbourhood because it is based on a smaller group of survey respondents; i.e. only those Albertans indicating that they are "not at all worried" about crime. The Safety In the Neighbourhood measure targets a larger group of respondents; those who feel not at all worried (or feeling very safe) and those who feel somewhat worried (or feeling reasonably safe).

GOAL TWO

2 Work with Solicitor General to ensure victims have a more meaningful role in the criminal justice system

What it means Recognizing the needs of the victim in the criminal justice system helps restore the balance of society in a humane and fair way and is an important goal for the justice system. The Ministry is committed to recognizing the unique needs of victims, treating them with respect, and striving to restore their feelings of safety in the community. The Ministry is also committed to assisting victims of crime during the court process through public assistance services provided in the Crown Prosecutors offices.

Strategies

2.1 Work with other ministries and non-government organizations on the Family Violence Roundtables to develop a Strategy for the Prevention of Family Violence, which will provide comprehensive, seamless services to adult and child victims of domestic violence.

2.2 Develop and advance reforms that focus on protecting children from criminal exploitation and seek to improve services to children in the criminal justice system, such as expanding the use of child friendly courtrooms and processes.

2.3 Work with the Solicitor General to review the "Report of the Victims of Crime Consultation" and where appropriate develop action plans.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Client Satisfaction with Public Assistance Program The percentage of clients who indicated that they were satisfied with the services they received from the Public Assistance Units in Edmonton and Calgary.	Edmonton - 84% Calgary - 82%	83%	83%	83%

Source: Client Satisfaction Survey, Criminal Justice Division

Core Business Two: Justice Services to Albertans in Need

Through its programs and services, the Ministry provides support and protection to vulnerable citizens, including families who depend on court-ordered maintenance payments, individuals unable to protect their financial interests, and individuals who cannot afford legal cousel.

GOAL THREE 3

Provide access to justice services for Albertans in need

What it means Albertans require access to a broad range of justice services including courts, prosecution services and appropriate dispute resolution mechanisms. In addition, services such as maintenance enforcement, estate and trust administration services, victim assistance, and legal aid contribute to the preservation of a safe society for Albertans.

Strategies

3.1 Improve the access of eligible Albertans to legal aid services.

3.2 Continue to monitor the operation and evaluation of the Family Law Staff Counsel Pilot Project to service legal aid recipients.

3.3 Implement procedures arising from amendments to the *Maintenance Enforcement Act*.

3.4 Identify innovative administrative structures to enhance the Maintenance Enforcement Program.

3.5 Complete the construction phase and deploy the new Maintenance Information Management System to improve communications with clients and stakeholders.

3.6 Enhance the Maintenance Enforcement Program's partnership with Government Services to accept support payments at Registry agent offices throughout Alberta.

3.7 Implement the revised and updated *Public Trustee Act*.

3.8 Through the office of the Public Trustee continue the expansion of the Assured Income for the Severely Handicapped Benefits Administration Program beyond the Edmonton and Central Regions.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Client Satisfaction with the Services of the Public Trustee's Office The percentage of clients "satisfied" to "very satisfied" with the services of the Public Trustee's Office. **Source**: Client Satisfaction Survey, Public Trustee's Office	90%	87%	87%	87%
Maintenance Enforcement Program: Dollars Due Compared to Dollars Received (% Collected) The program's collection rate on scheduled support and scheduled arrears payments. **Source**: Administrative data, Maintenance Enforcement Program	78.4%	84%	88%	90%
Client Satisfaction with Legal Aid Services **Source**: Client Satisfaction Survey, Legal Aid Society	New		To be determined	

Core Business Three: Courts

Alberta Courts are presided over by an independent judiciary. There are three levels of court in the province - the Court of Appeal, the Court of Queen's Bench and the Provincial Court. The Court Services Division provides administrative support to the courts. Court Services also provides policy advice and assistance to the Minister and the Ministry in relation to court issues. Stakeholders of Court Services include the public, the legal profession, law enforcement services, correctional authorities and various service providers.

GOAL FOUR

Promote a fair and accessible civil and criminal justice system

What it means The Ministry is responsible for providing the secure infrastructure to help resolve criminal and civil disputes. This includes court resources and scheduling services, and dispute resolution opportunities. Where appropriate, mediation, judicial dispute resolution, and mini-trials are used as alternatives to the traditional court process. By speeding up the process and lowering costs, these alternatives can improve access.

Strategies

4.1 Use technology as a primary tool to improve access to the court system through initiatives such as caseflow management systems, support for Service Alberta, electronic filing and expanding the use of video conferencing.

4.2 Work with Infrastructure and the judiciary on Alberta's courts to ease crowding and make it easier for Albertans to access the justice system. This is to include the consolidation of the Calgary courts.

4.3 Continue the consultation process for the Single Trial Court. Focus on developing a centre of excellence for commercial dispute resolution.

Strategies

4.4 Develop a plan to implement the government's response to the Unified Family Court Task Force Report.

4.5 Implement a court annexed mediation program in the Court of Queen's Bench.

4.6 Develop a strategy to address increasing traffic and bylaw infraction ticket volumes and ensure effective processing in the Courts. This is to include exploring online fine payments and electronic ticket processing.

4.7 Working in partnership with the Alberta Law Reform Institute, rewrite and reduce the complexity of the Rules of Court.

4.8 Continue to support and develop court initiatives in First Nation communities, including reviewing the recommendations of the evaluation of the Tsuu T'ina Nation Court and Peacemaker System, and develop a plan of action.

4.9 Work with Solicitor General to enhance the integration and effectiveness of the provincial court security program to ensure safety of the judiciary, prosecutors, court staff and general public.

4.10 In context of the automobile insurance developments:

- a) work with the Alberta Law Reform Institute in areas of tort reform, including structured settlements and joint and several liability, to improve the efficiency of the justice system; and
- b) consult with the Law Society of Alberta and the Canadian Bar Association in regard to the issues of:
  - i) professional advertising by lawyers; and
  - ii) whether the current contingency rules need to be changed

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Median Elapsed Time from First to Last Appearance The median elapsed time in days that it takes to process a case in provincial criminal court from first to last appearance.	71 days (Canadian median: 81 days)	Below the Canadian median	Below the Canadian median	Below the Canadian median
Source: Adult Criminal Court Survey, Canadian Centre for Justice Statistics				
Provincial Court Civil Mediation Settlement Rate The mediation settlement rate is the number of civil actions settled through mediation in the Civil Claims Program divided by the total number of civil claims settled or not settled through such mediation. This is a blended settlement rate of Calgary and Edmonton.	60%	63%	63%	63%
Source: Administrative data, Court Services Division				

GOAL FIVE

Improve knowledge of, and confidence in, the justice system

What it means Albertans identify that information and education about the justice system is important. Additionally, perceptions of crime in their communities and the province, along with the information they receive from the media, affect their understanding of, and confidence in, the justice system. Ministry staff will work with partners to develop strategic communications plans and will produce and distribute effective communication resources. This will help foster Albertans' understanding and confidence in Alberta as a fair and safe place to work, live and raise families. As Albertans become more knowledgeable about the system and of how justice is administered, they will better understand their rights, avoid legal problems, and seek out appropriate legal remedies.

Strategies

5.1 Develop and implement strategic plans with community partners to inform Albertans about justice related initiatives.

5.2 Facilitate public legal education by providing information, services and assistance to the public and specified targeted audiences.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Public Knowledge of the Justice System The percentage of Albertans who feel "somewhat knowledgeable" to "very knowledgeable" about the justice system in Alberta. **Source**: Annual Public Opinion Survey	62%	63%	63%	63%
Public Confidence in the Justice System The percentage of Albertans who feel "some confidence" to "a lot of confidence" in the justice system in Alberta. **Source**: Annual Public Opinion Survey	79%	80%	80%	80%

Core Business Four: Legal and Strategic Services to Government

Civil Law provides legal advice and assistance to all government ministries and represents them in matters before the courts and tribunals. Constitutional and Aboriginal Law provides specialized services to the government in constitutional and Aboriginal law matters. Legal Research and Analysis provides advice on legislative policy. The Legislative Counsel Office is responsible for drafting government public bills, regulations and Orders in Council.

GOAL SIX

Assist government ministries to achieve their objectives through provision of effective legal and related strategic services

What it means The government performs a number of roles as service provider, community partner, and lawmaker. These roles involve relationships with individuals, families, communities, and other governments. Effective legal services reduce the potential for conflict involving the government, as well as protecting and advancing the interests of the government. By providing effective legal and related strategic services, the Ministry can assist other ministries in achieving their corporate goals and strategic priorities.

Strategies

6.1 Enhance alignment of legal service resources with government ministries by continuing to:

- implement the use of legal service protocol agreements with client ministries, and
- improve our corporate counsel services to meet the changing needs of the client ministries.

6.2 Enhance the preventative law component of corporate counsel services to assist client ministries in identifying and managing legal risk.

Performance Measures	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Client Satisfaction with Legal Services The percent of client ministries "satisfied" to "very satisfied" with the legal services provided by Alberta Justice. **Source**: Client Satisfaction Survey, Legal Services Division	88%	85%	85%	85%
Client Satisfaction with Assistance in Meeting Corporate Goals **Source**: Client Satisfaction Survey, Legal Services Division	New		To be determined	

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Prosecutions	36,124	41,043	41,022	42,909	42,905	42,911
Justice Services to Albertans in Need	82,759	83,799	85,333	92,620	94,088	94,056
Courts	102,841	113,608	114,695	122,725	123,096	123,111
Legal and Strategic Services to Government	21,892	23,164	23,153	24,668	25,126	25,129
MINISTRY EXPENSE	243,616	261,614	264,203	282,922	285,215	285,207

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Transfers from Government of Canada	10,236	10,276	10,276	13,640	13,336	13,082
Investment Income	379	325	393	325	325	325
Premiums, Fees and Licences	34,858	37,955	38,141	35,162	35,622	35,616
Other Revenue	57,424	58,769	61,862	64,502	66,202	66,202
MINISTRY REVENUE	102,897	107,325	110,672	113,629	115,485	115,225
EXPENSE						
Program						
Ministry Support Services	10,712	12,661	12,661	14,656	15,119	15,152
Court Services	97,322	109,377	110,466	117,413	118,306	118,306
Legal Services	62,957	69,682	71,182	77,081	79,334	79,293
Support for Legal Aid	28,187	28,798	28,798	31,898	30,998	30,998
Public Trustee	8,255	8,688	8,688	8,979	8,979	8,979
Medical Examiner	4,701	5,132	5,132	5,218	5,162	5,162
Motor Vehicle Accident Claims	25,880	26,903	26,903	26,944	26,944	26,944
Valuation Adjustments and Other Provisions	5,602	373	373	733	373	373
MINISTRY EXPENSE	243,616	261,614	264,203	282,922	285,215	285,207
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(140,719)	(154,289)	(153,531)	(169,293)	(169,730)	(169,982)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	102,897	107,325	110,672	113,629	115,485	115,225
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Revenue	102,897	107,325	110,672	113,629	115,485	115,225
Ministry Program Expense	243,616	261,614	264,203	282,922	285,215	285,207
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**243,616**	**261,614**	**264,203**	**282,922**	**285,215**	**285,207**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(140,719)	(154,289)	(153,531)	(169,293)	(169,730)	(169,982)

Learning

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Dr. Lyle Oberg, *Minister of Learning*
March 4, 2004

THE MINISTRY

In collaboration with learners, parents, learning providers, business, industry, government agencies and non-governmental organizations, the Ministry of Learning strives to create opportunities for Albertans to learn throughout their lives. Learning's 2004-07 Business Plan identifies how the Ministry plans to work over the next three years to enhance lifelong learning for Albertans.

The Ministry is comprised of core program divisions that provide learning services and standards for the learning system, and integrating and supporting divisions that provide services and support for Ministry-wide operations. Core program services are provided by the Adult Learning Division, the Apprenticeship and Industry Training Division, the Basic Learning Division, and the Learner Transitions Sector. Integrating and support services are provided by the Communications Branch, the Corporate Services Division, the Information and Strategic Services Division, and the System Improvement and Reporting Division.

LINK TO THE GOVERNMENT BUSINESS PLAN

Learning is a priority to Albertans. Alberta's knowledge-based economy and society require innovative, well-educated, skilled and adaptable citizens. The Government of Alberta's Strategic Plan identifies four areas of opportunity that recognize knowledge and lifelong learning are key drivers of economic and societal prosperity. The Leading in Learning key area of opportunity provides strategic direction for Alberta Learning's priorities. The key areas of opportunity Unleashing Innovation; Competing in a Global Marketplace; and Making Alberta the Best Place to Live, Work and Visit are also reflected in Alberta Learning's priorities.

Alberta Learning ensures that its core businesses and goals are directly aligned with and support Goal Two of the Government of Alberta's business plan, which states:

- Albertans will be well prepared for lifelong learning and work.

In addition, the Ministry supports other goals of the Government of Alberta, including:

- Albertans will be healthy.
- Alberta's children and youth will be supported in reaching their potential.
- Albertans will be self-reliant and those unable to provide for their basic needs will receive help.
- Aboriginal communities and people in Alberta will have improved social and economic circumstances.
- Alberta will have a prosperous economy.

Alberta Learning's vision, mission, principles and values define the Ministry. The Ministry's vision is its view of the future. The mission describes the Ministry's purpose and reason for existence. The principles identify the Ministry's method of operating, and the values demonstrate the beliefs or traits that guide Ministry actions. The core businesses are the ongoing key responsibilities of the Ministry that support the mission and provide a framework for achieving results.

VISION

The best learning system in the world.

MISSION

Alberta Learning, through its leadership and work with stakeholders, ensures that learners are prepared for lifelong learning, work and citizenship so they are able to contribute to a democratic, knowledge-based and prosperous society.

CORE BUSINESSES

Core Business 1: Support the Learning System: Lead, Promote and Support Excellence in the Learning System
through Adult Learning, Apprenticeship and Industry Training, Basic Learning, and Learner Transitions

Goal 1 - High Quality Learning Opportunities for All

Core Business 2: Support the Learner: Provide Opportunities for Learner Success
through Adult Learning, Apprenticeship and Industry Training, Basic Learning, and Learner Transitions

Goal 2 - Excellence in Learner Outcomes

Core Business 3: Support the Ministry to Ensure Excellence of the Learning System
through Communications, Corporate Services, Information and Strategic Services, and System Improvement and Reporting

Goal 3 - Highly Responsive and Responsible Ministry

PRINCIPLES

Learner Centred – The lifelong learning system is focused on the learner.

Accessible – Albertans have access to affordable, quality learning opportunities.

Collaborative – Learning is a lifelong human endeavor that best occurs when partners and stakeholders work together to provide a holistic approach and a supportive environment.

Accountable – The learning system is accountable to Albertans for quality results, system sustainability, and fiscal responsibility.

Responsive – The learning system is flexible and meets and anticipates learner needs.

Innovative – The learning system demonstrates leading edge innovation for improved results.

Equitable – Albertans have equitable access to lifelong learning opportunities.

VALUES

- **Respect**
- **Integrity**
- **Trust**
- **Openness**
- **Caring**

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The following opportunities and challenges have been identified as the key strategic drivers that could impact the Ministry's ability to achieve its goals. They present both opportunities and challenges in terms of the Ministry's efforts to prepare learners for the future. Alberta Learning examines these drivers to determine the appropriate strategies and initiatives that will enhance lifelong learning opportunities for Albertans.

Complexity of the Learning System	Global competition, the increasing complexity of society, the varying needs of learners, and the necessity of ensuring our programs are responsive to changing industry and business needs increase the complexity of the learning system. Rapidly changing economic, demographic, and social forces, coupled with finite resources, create a demanding environment for the achievement of learning system goals and outcomes.
Sustainability of the Learning System	There are challenges and opportunities associated with sustaining a high quality learning system in an environment of continuing fiscal pressures, public demands for choice, a changing demographic profile and increasing system complexity. Finding ways to sustain the system will continue to be essential given the priority for lifelong learning and its relationship to quality of life.
Public Expectations	The demands on and expectations for the learning system are many. Albertans value their world-class learning system and expect it to improve continuously, be sustainable, and be responsive to diverse student needs. Albertans also increasingly expect to have a say in decisions that impact learning. In the face of these expectations, there is a greater need to clearly communicate complex learning issues, to demonstrate the return on investment in learning and to demonstrate the benefits of lifelong learning to all Albertans.
Globalization	The increasingly dynamic global environment and its growing complexity and volatility present unique opportunities and challenges for Albertans. International competition for skilled labour, investment and high value-added industries, and the growing need for a highly skilled, knowledgeable workforce, among other issues, will continue to influence the province.
Knowledge Economy	In modern societies, knowledge, innovation and education are the key drivers of economic and societal prosperity. In the emerging knowledge-based economy, with its emphasis on ideas, communication and innovation, lifelong learning is more important than ever. People are the source of new knowledge, ideas and innovation. Learning is the foundation that will enable the province to secure economic growth, societal prosperity and healthy communities, thereby improving the quality of life for all Albertans.
Technology	Rapid technological advancement is transforming the way Albertans live, work, learn, communicate and play. The learning system faces ongoing opportunities and challenges related to both equipping learners to work in a world where information and communication technologies play an influential role and ensuring all Alberta's learners have equitable access to the use of technology. The learning

system also needs to equip educators with the skills that are required to teach technology and learning.

Economics Alberta's economy will continue to create employment growth, particularly for highly skilled Albertans. There is a greater need to focus on and highlight the return on investment in learning. As the economy diversifies, future economic strength depends on supporting the development of a knowledgeable and innovative citizenry and a highly skilled workforce to maintain the Alberta Advantage.

Demographics Immigration, inter-provincial migration, strong growth in the Aboriginal population, an aging population, rural depopulation and an increasing post-secondary population are all transforming Alberta's social and demographic fabric. While government has implemented policies to ensure accessibility to and affordability of learning opportunities, demographic shifts and the changing social structure will exert additional pressures on the sustainability of the learning system.

STRATEGIC PRIORITIES 2004-07

As evidenced in the significant opportunities and challenges, Albertans live in a dynamic and challenging global environment. Learner needs are diverse and require access to the skills, knowledge, and experiences that will best prepare them for success in this environment. The learning system must continue to provide Albertans with these learning opportunities.

The Ministry has identified strategic priorities to respond to the significant opportunities and challenges influencing Alberta Learning's ability to achieve its goals and strategies for 2004-07. Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core functions of the Ministry.

1. Alberta's Commission on Learning

Linkage: **Goal 1**
Strategy 1.A

To ensure our system continues to maintain excellence in the future, Alberta's Commission on Learning has made recommendations that will result in promoting learner excellence through continuous improvement of the Kindergarten to Grade 12 (K-12) learning system, including transitions to, from, and within the K-12 system. Alberta Learning will develop implementation plans for government-approved recommendations made by Alberta's Commission on Learning, including the Languages Initiative; the Learning and Technology Policy Framework; the First Nations, Métis and Inuit Education Policy Framework; and the K-12 Funding Framework.

2. Access for Adult Learners

Linkage: **Goal 1**
Strategy 1.A
Strategy 1.C

Goal 2
Strategy 2.D
Strategy 2.E

Increasing access to adult learning opportunities, including apprenticeship and industry training, will generate returns in the form of increased entrepreneurship and flow of new knowledge, ideas, new products and services, healthier and better-informed citizens, a well-supported economy, and a more prosperous society. Equally important will be ensuring that Albertans are ready to be successful in the lifelong learning system and that transition points into, within, and out of the system are appropriately bridged for all learners. The Adult Learning Strategic Framework and the *Post-secondary Learning Act* will serve as the basis for future development, expansion of, and investment in the adult learning system, and will also will help inform institutional and departmental business plans, policy and program development.

3. First Nations, Métis and Inuit Learner Success

Linkage: **Goal 2**
Strategy 2.A

Improving First Nations, Métis and Inuit learner success is a priority for Alberta Learning. Aboriginal peoples of Alberta play an important role in our province. The collaboration and involvement of all stakeholders will focus on increasing learner success and moving to close the education level and labour force participation gaps identified in the Aboriginal Policy Initiative.

4. Working Effectively with Partners and Stakeholders

Linkage: Goal 3
Strategy 3.A

Another strategic priority is continuing our work with partners and stakeholders to achieve our mission. To provide Albertans with the tools for lifelong learning, work, and citizenship, we must work collaboratively with partners and stakeholders. Alberta Learning works with partners on a number of cross-ministry initiatives and, in particular, co-leads work on the Alberta Children and Youth Initiative. In addition, the Ministry supports and leads several undertakings through the Aboriginal Policy Initiative, the Economic Development Strategy and the Health Sustainability Initiative, as well as contributing to the government's administrative cross-ministry initiatives.

5. Pan-Canadian Initiatives

Linkage: Goal 3
Strategy 3.A

Alberta Learning has established itself as a leader, nationally and internationally, in educational matters. The Ministry will continue to exercise this leadership as a means of strengthening intergovernmental relationships and enhancing Alberta learner and stakeholder opportunities beyond the province's borders, such as in partnerships with the governments of the Northwest Territories and British Columbia. Leadership in this area will include a pan-Canadian assessment program, an on-line learning portal and reforms to student financial assistance. Pursuant to the Alberta International Education Strategy, the Ministry will also strengthen recruitment of foreign students to Alberta and otherwise support Alberta's K-12 and post-secondary sectors in their international undertakings.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Alberta Learning has identified three goals with specific outcomes that describe the end results the Ministry wants to achieve in fulfilling its mission. Alberta Learning strategies for 2004-07 support the three ministry goals. Key initiatives are the Ministry's priority activities that contribute to the success of the strategies for 2004-07.

Core performance measures indicate the degree of success a ministry has in achieving its goals and outcomes. In assessing progress, targets are considered met if the result is within 5% of the target value, and targets are considered exceeded if the result is more than 5% above the target value (except for provincial achievement tests).

Core Business One: Support the Learning System: Lead, Promote and Support Excellence in the Learning System

GOAL ONE

High quality learning opportunities for all

What it means

Alberta Learning strives to provide high quality learning opportunities for all Albertans by setting policies and standards for the learning system, including curriculum development and standards in the basic learning system, by working with industry to facilitate the development of training and certification standards in the apprenticeship and industry training system, by certifying learners and others who meet industry standards, by providing funding for the learning system, and through quality assurance of learning programs. High quality learning opportunities for all also means increasing the level of educational attainment by providing increased access to and participation in learning programs and promoting barrier-free learning pathways. Alberta Learning will continue to provide high quality learning opportunities through initiatives that align with recommendations from Alberta's Commission on Learning.

Outcomes

1.1 The learning system meets the needs of all learners, society and the economy.
1.2 All Albertans can participate in quality learning.

Strategies and Key Initiatives

Strategy 1.A **Promote learning excellence through the continuous improvement of the learning system.**

Key Initiatives

- Work with stakeholders to develop and execute Phase One implementation plans for government-approved recommendations from Alberta's Commission on Learning.
- Develop an approach for pre-Kindergarten and Kindergarten.
- Expand the Adult Learning Strategic Framework including improving access to learning opportunities and enhancing sustainability of the system.
- Work with stakeholders to communicate and implement the provisions of the *Post-secondary Learning Act* concerning adult learning.
- Work with learning system partners and stakeholders to share, integrate, and sustain the successes and effective practices from cycle one of the Alberta Initiative for School Improvement.
- Work with learning system partners and stakeholders to implement approved recommendations from the Minister's Forums on School Councils Final Report.
- Develop and implement a renewed vision for the K-12 learning system that includes:
  - A quality physical education program complemented by daily physical activity.
  - English and French Social Studies curriculum.
  - Working with educational partners to develop programs of study, learning resources, assessment models and classroom assessment materials for the Languages Initiative.

Strategy 1.B **Respond to emerging labour market demands and support Alberta's transition to a knowledge-based economy.**

Key Initiatives

- Align immigration policy and programs to better reflect Alberta's economic and social priorities.
- Facilitate temporary foreign worker agreements and implement student visa Memorandums of Understanding.
- Address skilled trades challenges in collaboration with industry stakeholders.
- Support the implementation of new apprenticeable occupations.
- Implement curriculum, resources, and student assessments for the Integrated Occupational Program.

Strategy 1.C **Increase the level of educational attainment within Alberta through expanded access, awareness, and participation.**

Key Initiatives

- Enhance access to post-secondary learning opportunities.
- Implement the Campus Alberta Quality Council.
- Implement strategies under the Raising Awareness About Planning For Post-Secondary Studies program to enhance knowledge of parents and learners about planning for post-secondary studies.
- Encourage parents to plan and save for their children's post-secondary education by implementing the Alberta Centennial Education Savings Plan.
- Develop option for veterinary school, in conjunction with the Ministry of Agriculture, Food and Rural Development.

Strategy 1.D **Integrate new learning technologies to support development of the learning system.**

Key Initiatives

- Implement the Learning and Technology Policy Framework, including the continued implementation of LearnAlberta.ca and SuperNet to develop multimedia and on-line resources for student learning.
- Implement technology standards and solutions to improve access to technology within the learning system that includes videoconferencing, central servers, and aggregated purchases.
- Increase access to learning information and services provided by the Alberta Learning Information Service.

Outcome 1.1 **The learning system meets the needs of all learners, society and the economy.**

Performance Measures	**Last Actual (year)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
a. Public satisfaction with the overall quality of basic education	67% (2002-03)	70%	70%	70%
b. Satisfaction of recent post-secondary graduates with the overall quality of their education	81% (2000-01)		To be determined	
c. Satisfaction of recent apprenticeship graduates with on-the-job training	93% (2002-03)	90+%	n/a	90+%
d. Satisfaction of recent apprenticeship graduates with technical training	95% (2002-03)	90+%	n/a	90+%
e. Employment rate of Albertans aged 25 to 34 by educational attainment:				
High school	83% (2003)	83%	83%	83%
Post-secondary certificate or diploma	86% (2003)	86%	87%	87%
University degree	88% (2003)	88%	88%	88%

Note: n/a Data available every other year.

Outcome 1.2 **All Albertans can participate in quality learning.**

Performance Measures	**Last Actual (2002-03)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
a. Public satisfaction that adult Albertans have easy access to lifelong learning	73%	73%	73%	73%
b. Public agreement that the learning system is within the means of most Albertans	52%	65%	65%	n/a

Core Business Two: Support the Learner: Provide Opportunities for Learner Success

GOAL TWO

Excellence in learner outcomes

What it means Alberta Learning strives to achieve excellence in learner outcomes by supporting learners in their quest for success. This support is provided through systems such as learning assessment and student financial assistance, and by providing consultation and technical services to apprentices and employers. Excellence in learner outcomes means that learners are well prepared for lifelong learning, work, and citizenship, and are ready to compete on the global stage.

Outcomes

2.1 Learners demonstrate high standards.
2.2 Learners complete programs.
2.3 Learners are well prepared for lifelong learning.
2.4 Learners are well prepared for employment.
2.5 Learners are well prepared for citizenship.

Strategies and Key Initiatives

Strategy 2.A **Improve First Nations, Métis and Inuit learner success.**

Key Initiatives

- Pursue priority initiatives under the First Nations, Métis and Inuit Education Policy Framework to improve Aboriginal learner success.

Strategy 2.B **Improve assessment of learner achievement.**

Key Initiatives

- Implement a process for diploma examinations to provide a basis for more reliable assessment of students' achievement over time.
- Implement the "Beyond MIRS" pilot project to assess viability and usefulness of supplementing provincial achievement test data with classroom-based data.

Strategy 2.C **Improve completion rates for all learners.**

Key Initiatives

- Work collaboratively with learning system partners to develop a comprehensive provincial strategy to increase high school completion rates.
- Work with post-secondary institutions to improve the information base concerning non-completion.

Strategy 2.D **Improve learning opportunities for Albertans by enhancing transitions to work and further study for learners.**

Key Initiatives

- Implement responses to the Lifelong Learning Strategy, such as:
  - Creating barrier-free pathways for Albertans to be successful lifelong learners.
  - Providing opportunities in local communities for adults to return to learning to meet their personal, learning or employment goals.

Strategy 2.E **Enhance accessibility and promote consistent practices of learning programs for all learners.**

Key Initiatives

- Complete implementation of the Special Education Review recommendations.
- Improve the design and delivery of student financial assistance.

Outcome 2.1 Learners demonstrate high standards.

Performance Measures

a. Students who achieved standards on Grades 3, 6 and 9 Provincial Achievement Tests:		**Results for All Students in Grade**				**Results for Students Who Wrote**			
		Last Actual (2002-03)	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**	**Last Actual (2002-03)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
		A | E	A | E	A | E	A | E	A | E	A | E	A | E	A | E
Grade 3	Language Arts	82% | 16%	83% | 18%	83% | 18%	84% | 19%	90% | 17%	91% | 19%	92% | 19%	92% | 20%
	Mathematics	82% | 30%	83% | 31%	84% | 31%	84% | 32%	89% | 32%	90% | 32%	90% | 33%	91% | 33%
Grade 6	Language Arts	81% | 17%	82% | 18%	83% | 18%	83% | 19%	89% | 19%	90% | 19%	91% | 20%	91% | 20%
	Mathematics	78% | 18%	80% | 19%	80% | 20%	81% | 20%	86% | 19%	87% | 20%	87% | 21%	88% | 21%
	Science	80% | 24%	81% | 25%	82% | 26%	82% | 26%	88% | 27%	89% | 28%	90% | 28%	90% | 29%
	Social Studies	79% | 20%	80% | 21%	80% | 21%	81% | 22%	86% | 22%	87% | 23%	88% | 23%	88% | 24%
Grade 9	Language Arts	78% | 14%	80% | 15%	81% | 16%	82% | 16%	89% | 15%	91% | 17%	92% | 17%	92% | 18%
	Mathematics	64% | 18%	68% | 19%	68% | 19%	69% | 20%	73% | 20%	76% | 21%	76% | 21%	77% | 22%
	Science	69% | 11%	To be determined			76% | 13%	To be determined		
	Social Studies	73% | 19%	75% | 20%	75% | 20%	76% | 21%	83% | 21%	84% | 22%	84% | 22%	85% | 23%

Note: A | E Acceptable | Excellence - the percentages achieving the acceptable standard include the percentages achieving the standard of excellence.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
b. Students who achieved standards on diploma examinations	(A | E)			
English 30	92% | 24%	*	*	*
English 33	85% | 7%	*	*	*
Social Studies 30	87% | 22%	*	n/a	n/a
Social Studies 33	82% | 13%	*	n/a	n/a
Pure Mathematics 30	85% | 27%	*	*	n/a
Applied Mathematics 30	85% | 14%	*	*	n/a
Biology 30	81% | 22%	*	*	n/a
Chemistry 30	85% | 25%	*	*	n/a
Physics 30	82% | 25%	*	*	n/a
Science 30	88% | 20%	*	*	*

Notes: A | E Acceptable | Excellence - the percentages achieving the acceptable standard include the percentages achieving the standard of excellence.

* Results not comparable from year to year - target not available.

n/a To be set when more years of data are available.

Outcome 2.2 Learners complete programs.

Performance Measures	Last Actual (year)	Target 2004-05	Target 2005-06	Target 2006-07
a. High school completion rate of students within 5 years of entering grade 10	74% (2001-02)	75%	76%	n/a
b. Educational attainment of Albertans aged 25 to 34:				
High school completion (Canada = 90%)	89% (2003)	90+%	90+%	90+%
Post-secondary completion (Canada = 63%)	57% (2003)	60%	60%	60%
c. Apprenticeship completion rate, based on tracking apprentices after their first year of technical training for two years beyond the normal length of the program	76% (2001-02)	76%	76%	76%
d. System-wide post-secondary completion rate	New	To be determined		

Supplemental Information on System-wide Post-secondary Completion Rate: Interim Measure	Last Actual (2001-02)
Public institution completion rates, based on tracking first-year, full-time students for three years beyond the normal length of their program, aggregated by sector	
Universities	55%
Colleges and Technical Institutes	58%

Outcome 2.3 Learners are well prepared for lifelong learning.

Performance Measures	Last Actual (year)	Target 2004-05	Target 2005-06	Target 2006-07
a. Readiness to learn	New	To be determined		
b. High school to post-secondary transition rate	New	To be determined		

Supplemental Information on Readiness to Learn: Proxy Measure	Last Actual (2002-03)
Participation of Grade 1 students in Early Childhood Services in a prior year	96%

Outcome 2.4 Learners are well prepared for employment.

Performance Measure	Last Actual (2003-04)	Target 2004-05	Target 2005-06	Target 2006-07
a. Employer satisfaction with the skills and quality of work of learning system graduates	89%	n/a	90%	n/a

Note: n/a Data available every other year.

Outcome 2.5 Learners are well prepared for citizenship.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
a. Public satisfaction that learners (high school students) are well prepared for citizenship	59%	60%	62%	62%
b. Public satisfaction that learners (adult learners) are well prepared for citizenship	69%	69%	70%	71%

Core Business Three: Support the Ministry to Ensure Excellence of the Learning System

GOAL THREE

Highly responsive and responsible ministry

What it means Alberta Learning strives to be a highly responsive and responsible Ministry through effective and efficient policy and planning systems, management of information technology, continuous improvement and accountability systems, open and effective communication services and financial and administrative support. Being responsive and responsible also means working collaboratively and enhancing effective communications with partners, stakeholders and Albertans.

Outcomes

3.1 Improved results through effective working relationships on Cross-Ministry Initiatives and with stakeholders.
3.2 The Ministry demonstrates leadership and continuous improvement.

Strategies and Key Initiatives

Strategy 3.A **Work collaboratively with partners and stakeholders for the learning system.**

Key Initiatives

- Work with learning system stakeholders to further develop Alberta's international education initiatives.
- Work with intergovernmental partners, such as the Northwest Territories, British Columbia and the Western and Northern Canadian Protocol to further develop Alberta's unique cooperative arrangements and to further strengthen Alberta's leadership in pan-Canadian initiatives through the Council of Ministers of Education, Canada; Canadian apprenticeship councils, and others.
- Initiate, develop and support Cross-Ministry Initiatives including the Aboriginal Policy Initiative, Economic Development Strategy, Health Sustainability Initiative, and Alberta Children and Youth Initiative. Initiate, develop and support cross-ministry key administrative initiatives including the Alberta Corporate Service Centre Initiative, the Corporate Human Resource Development Strategy, the Corporate Information Management/Information Technology Strategy and Service Alberta.
- Work with other ministries and stakeholders to develop strategies to promote rural development and a value-added economy.

- Implement a departmental stakeholder strategy to clarify roles and responsibilities within the learning system.
- Work with the Ministry of Innovation and Science, post-secondary institutions and other stakeholders to further increase research and development activity within Alberta's post-secondary system.

Strategy 3.B **Promote financial sustainability of the learning system.**

Key Initiatives

- Support government-approved recommendations from the Alberta Financial Management Commission.
- Implement the K-12 Funding Framework Review recommendations for a new funding model.

Strategy 3.C **Implement an enhanced accountability framework for the K-12 system that incorporates the work of the Review Committee on Outcomes.**

Key Initiatives

- Work with the school boards to implement the expected outcomes and measures for the K-12 school system.

Strategy 3.D **Provide Albertans with timely, accurate, and relevant information about the learning system.**

Key Initiatives

- Enhance effective communication with stakeholders and Albertans.

Strategy 3.E **Develop long-term human resource capacity for the Department.**

Key Initiatives

- Continue to address human resource development by implementing the priorities of the Alberta Learning Human Resource Plan.

Outcome 3.1 Improved results through effective working relationships on Cross-Ministry Initiatives and with stakeholders.

Performance Measure	Last Actual (2003-04)	Target 2004-05	Target 2005-06	Target 2006-07
a. Satisfaction of cross-ministry partners and learning system stakeholders that Alberta Learning staff are collaborative	90%	90%	90%	90%

Outcome 3.2 The Ministry demonstrates leadership and continuous improvement.

Performance Measures	Last Actual (2003-04)	Target 2004-05	Target 2005-06	Target 2006-07
a. Satisfaction of cross-ministry partners and learning system stakeholders that Alberta Learning staff are responsive and flexible	90%	90%	90%	90%
b. Roll-up of core measure results	New		To be determined	

ORGANIZATIONAL STRUCTURE SUPPORTING OUR BUSINESS PLAN

The Ministry's three core program divisions, Adult Learning, Apprenticeship and Industry Training, and Basic Learning, along with the Learner Transitions sector, provide learning services and standards for the learning system. They carry out the mission and provide a framework for achieving results and allocating resources. The divisions and sector work closely with their provincial ministry partners to ensure program continuity and smooth transitions for learners. Alberta Learning's core program divisions and sector support the three Ministry core businesses.

ADULT LEARNING DIVISION

Division Function

- Provide funds to institutions through operational and envelope funding.
- Coordinate the effective delivery of student assistance programs with stakeholders and delivery partners, process applications for financial assistance on a timely basis and encourage and reward excellence through scholarships and awards.
- Approve programs of study and mandates at public post-secondary institutions.
- Facilitate course and program transfer agreements within the post-secondary system and approve programs offered by private degree-granting institutions.
- License vocational programs offered by private institutions and provide permission to non-resident providers to offer degree programs in Alberta.
- Provide planning, coordination and policy support to adult learning providers and information on the adult learning system to the public.

APPRENTICESHIP AND INDUSTRY TRAINING DIVISION

Division Function

- Develop course outlines and examinations that meet industry standards.
- Research and develop new initiatives for trades training delivery.
- Lead and support interprovincial mobility initiatives.
- Respond to industry needs for new trades and occupations.
- Provide planning, coordination and policy support to the Alberta Apprenticeship and Industry Training Board and its network of industry committees.
- Promote apprenticeship in collaboration with industry and learning stakeholders.
- Assist apprentices, trainees and employers with registration and provide advice on training and certification.
- Provide support for Albertans, Canadians and immigrants pursuing alternative routes to journeyman certification.
- Provide consultation and technical services throughout the apprenticeship and industry training system.
- Monitor the workplace for compliance with the *Apprenticeship and Industry Training Act* and regulations.
- Forecast training needs and work with institutions to coordinate technical training.
- Verify work experience and training, administer exams and issue certificates.

BASIC LEARNING DIVISION

Division Function

- Develop and revise K-12 programs of study to ensure they are relevant and responsive in meeting the learning needs of Albertans.
- Select and develop learning and teaching resources to support effective and efficient classroom instruction.
- Ensure that Alberta's teachers are certificated and equipped with the knowledge, skills and attributes needed to support learners in meeting standards set by the Minister.
- Work with school authorities to enhance, provide access to, and support the development and implementation of programs for learners with diverse learning, linguistic or cultural needs.

- Develop and implement programs, policies, regulations and legislation that further the capacity of school authorities to meet the learning needs and learning choices of Albertans.
- Maintain strong relationships with school authorities.
- Monitor public, separate, francophone, charter and private school authority education plans and annual reports.
- Approve First Nations, private and charter schools.
- Conduct investigations, reviews and hearings to ensure an open, fair and effective learning system.

LEARNER TRANSITIONS SECTOR

Sector Function

- Lead and support business plan goals that relate to the barrier-free movement of learners into, within and out of the Alberta learning system.
- Provide learning opportunities through immigrant settlement, English as a Second Language, community adult learning and literacy programs.
- Work with other Alberta Learning stakeholders and divisions to increase awareness and participation of under-represented groups in the Alberta learning system.
- Develop standards and guidelines for evaluation of foreign credentials, promote best practices in foreign credential recognition, and provide high quality support and assessment services to new Albertans and potential foreign workers.
- Work collaboratively with other ministry partners to integrate, enhance, develop, implement and evaluate cross-ministry initiatives for children, youth and their families.

INTEGRATING AND SUPPORTING BUSINESS DIVISIONS

Similar to core program divisions, integrating and supporting business divisions are also part of the ongoing work that the Ministry undertakes to achieve its goals.

The Ministry's integrating and supporting divisions and branches, Communications, Corporate Services, Information and Strategic Services, and System Improvement and Reporting, provide services that focus on ministry-wide operations and facilitate integration and accountability across all divisions.

COMMUNICATIONS BRANCH

Branch Function

- Provide useful, timely and clear information to Albertans about the learning system.
- Provide strategic communications advice and planning services.
- Provide specialized writing and editing skills.
- Represent the Ministry to the public and media.
- Facilitate effective communication with Ministry staff and stakeholders.

CORPORATE SERVICES DIVISION

Division Function

- Provide legislative planning services, administrative services, financial services, human resource planning and corporate records management.
- Develop and coordinate the budget process for the Ministry business plan and monitor budget compliance.
- Plan, support and coordinate the implementation of the Corporate Human Resource Development Strategy and Human Resource Plan for the Department.
- Calculate and award funding to all school authorities.
- Analyze financial reporting submitted by school authorities.
- Review funding support provided to school authorities to ensure a high percentage of dollars is directed to student learning.

- Produce and distribute learning resources.
- Ensure the Department receives labour relations advice.
- Advise, consult and assist school authorities in matters pertaining to financial health to help ensure their financial accountability and sustainability into future years.

INFORMATION AND STRATEGIC SERVICES DIVISION

Division Function

- Develop policy positions, options and responses; coordinate international education, immigration and federal/provincial policy; conduct research; and integrate policy direction across the Ministry.
- Facilitate Ministry planning and decision making with planning, knowledge management, and risk management processes and information. Provide consultation expertise and implement Department-wide consultations.
- In conjunction with business areas, facilitate effective and integrated use of information management and technology systems by the Ministry.
- Provide and support technical systems of the Ministry.
- Issue High School and Equivalency Diplomas and official transcripts of courses and marks.
- Through the corporate data warehouse, collect, manage and provide learning system information required by the Ministry.
- Provide leadership and support for the implementation of evolving technologies in the learning system in conjunction with stakeholders.
- Design, develop and deliver print and electronic learning resources to support program delivery in the learning system.

SYSTEM IMPROVEMENT AND REPORTING DIVISION

Division Function

- Lead the development of accountability frameworks and performance indicators, measures and targets.
- Conduct applied research, periodic audits or monitoring, and program evaluation.
- Report Ministry and learning system results.
- Develop and administer grade 3, 6, and 9 Provincial Achievement Tests and grade 12 Diploma Examinations, providing individual, school, jurisdiction and provincial level results to support teaching and learning.
- Administer the General Educational Development Test to adult learners.
- Coordinate Alberta's participation in national and international assessments.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Support the Learning System: Lead, Promote and Support Excellence in the Learning System	4,055,825	4,214,388	4,294,951	4,497,241	4,671,273	4,887,138
Support the Learner: Provide Opportunities for Learner Success	676,773	672,632	666,196	747,131	803,000	807,070
Support the Ministry to Ensure Excellence of the Learning System	26,921	29,267	29,957	30,821	31,653	32,251
MINISTRY EXPENSE	4,759,519	4,916,287	4,991,104	5,275,193	5,505,926	5,726,459

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	105,094	137,545	138,645	113,545	117,145	119,245
School Property Tax	1,112,792	1,165,000	1,166,000	1,233,000	1,304,000	1,366,000
Transfers from Government of Canada	115,580	142,282	167,031	196,232	203,007	210,553
Sales of Learning Resources	25,844	30,903	30,903	32,040	33,220	34,445
Premiums, Fees and Licences	5,047	4,890	5,292	5,254	5,339	5,339
Other Revenue	5,820	4,671	4,145	6,857	9,550	9,550
MINISTRY REVENUE	1,370,177	1,485,291	1,512,016	1,586,928	1,672,261	1,745,132
EXPENSE						
Program						
Operating Support to Public and Separate Schools	3,005,771	3,139,771	3,175,134	3,363,931	3,534,625	3,707,336
Teachers' Pensions	239,737	268,349	258,449	274,664	285,664	297,005
Teachers' Pensions Liability Funding - Special Payment	60,000	-	-	-	-	-
Private Schools Support	110,968	107,912	116,882	121,240	129,117	139,784
Provincial Initiatives	98,360	107,720	111,220	116,362	118,428	120,535
Basic Learning Resource Grants	-	20,000	20,000	-	-	-
Other Basic Learning Programs	26,062	31,915	31,744	33,239	34,600	35,825
Total Basic Learning Support	3,540,898	3,675,667	3,713,429	3,909,436	4,102,434	4,300,485
Less : Property Tax Support to Opted-Out Separate School Boards	(146,788)	(162,000)	(161,000)	(171,000)	(181,000)	(190,000)
Total Government Support to Basic Learning	3,394,110	3,513,667	3,552,429	3,738,436	3,921,434	4,110,485
Assistance to Post-Secondary Institutions	1,076,304	1,122,243	1,135,105	1,220,379	1,239,161	1,267,006
Post-Secondary Institutions - Operations and Maintenance	-	-	30,000	-	-	-
Post-Secondary Performance Envelope	-	10,000	10,000	-	-	-
Provision for Loan Repayable from Future Appropriations	30,700	-	-	-	-	-
Support to Post-Secondary Learners	87,133	98,155	98,655	105,850	108,370	109,170
Provision for Future Cost of Student Loans Issued	35,967	55,000	58,500	59,800	66,600	67,400
Provision for Future Cost of Student Loans Issued (one-time)	-	(20,000)	(35,000)	-	-	-
Alberta Centennial Education Savings Plan	-	-	-	4,300	19,500	19,500
Total Adult Learning Support	1,230,104	1,265,398	1,297,260	1,390,329	1,433,631	1,463,076
Program Support						
Apprenticeship and Industry Training	15,774	16,193	16,890	17,992	18,384	18,643
Ministry Support Services	28,059	29,505	30,195	31,059	31,891	32,489
Program Delivery Support	88,805	87,257	91,212	93,815	96,039	97,411
Total Program Support	132,638	132,955	138,297	142,866	146,314	148,543
Total Program Expense*	4,756,852	4,912,020	4,987,986	5,271,631	5,501,379	5,722,104
Debt Servicing Costs						
Alberta School Foundation Fund	2,667	4,267	3,118	3,562	4,547	4,355
MINISTRY EXPENSE	4,759,519	4,916,287	4,991,104	5,275,193	5,505,926	5,726,459
Gain (Loss) on Disposal of Capital Assets	19	-	-	-	-	-
NET OPERATING RESULT	(3,389,323)	(3,430,996)	(3,479,088)	(3,688,265)	(3,833,665)	(3,981,327)

* Subject to the *Fiscal Responsibility Act*. Total program expense includes the province's cash payments towards the unfunded pension liability (which will be eliminated under a separate legislated plan). Total program expense does not include the annual change in the unfunded pension obligations, which is a non-cash expense that does not affect borrowing requirements. The annual increases in the Ministry of Learning's unfunded pension obligations are estimated to be: 74,530 127,000 130,000 132,000 138,000 145,000

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	**Comparable 2003-04 Budget**	**Comparable 2003-04 Forecast**	**2004-05 Estimates**	**2005-06 Target**	**2006-07 Target**
Ministry Revenue	1,370,177	1,485,291	1,512,016	1,586,928	1,672,261	1,745,132
Inter-ministry consolidation adjustments	(105,094)	(137,545)	(138,645)	(113,545)	(117,145)	(119,245)
Consolidated Revenue	1,265,083	1,347,746	1,373,371	1,473,383	1,555,116	1,625,887
Ministry Program Expense	4,756,852	4,912,020	4,987,986	5,271,631	5,501,379	5,722,104
Inter-ministry consolidation adjustments	(3,280)	-	-	-	-	-
Consolidated Program Expense	**4,753,572**	**4,912,020**	**4,987,986**	**5,271,631**	**5,501,379**	**5,722,104**
Ministry Debt Servicing Costs	2,667	4,267	3,118	3,562	4,547	4,355
Consolidated Expense	4,756,239	4,916,287	4,991,104	5,275,193	5,505,926	5,726,459
Gain (Loss) on Disposal of Capital Assets	19	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(3,491,137)	(3,568,541)	(3,617,733)	(3,801,810)	(3,950,810)	(4,100,572)

Municipal Affairs

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Guy Boutilier, *Minister of Municipal Affairs*
March 3, 2004

THE MINISTRY

The Ministry of Municipal Affairs consists of two main divisions: Local Government Services and Public Safety, as well as five support branches. Major responsibilities include: helping municipalities provide accountable, well managed, responsive, and effective local government for Albertans; administering a safety system that promotes fire protection and strives to ensure buildings and equipment are constructed and maintained to safe standards; and managing provincial emergency management programs and supporting municipalities so they are prepared to deal with major emergencies and disasters.

The Ministry includes the Municipal Government Board, an independent, quasi-judicial board which conducts hearings on matters defined in the *Municipal Government Act*; the Special Areas Board, which provides municipal services and long-term land management for three special areas in southeast Alberta; and National Park Improvement Districts, which provide limited municipal services.

Primary clients and stakeholders include municipalities and their related organizations and associations, organizations accredited under the *Safety Codes Act*, and industry-based safety and emergency management groups. The Ministry consults and works with the local government sector, the public, industry, and other provincial and federal government departments as an integral and ongoing part of its activities.

LINK TO THE GOVERNMENT STRATEGIC BUSINESS PLAN

This plan supports the three-year Government of Alberta Business Plan to have an effective, responsive and well-managed local government sector (Goal 6), which is aligned with the 20-year plan of making Alberta the best place to live, work and visit (Opportunity 4). Municipal Affairs provides support with:

- systems, programs and partnerships that foster excellence in local governance, management and service delivery,
- processes to assist municipalities in resolving disputes,
- initiatives that help coordinate the provincial government approach toward municipalities,
- a legislative framework that enables municipalities to operate successfully and meet the local needs of Albertans,
- services and systems that contribute to financially sustainable and accountable municipalities,
- financial support that enhances local government financial capability,
- a framework and systems that support an assessment and property tax system that is accurate, understandable, predictable, transparent and timely, and
- an independent appeal process for municipalities and individual Albertans through the Municipal Government Board.

The plan also supports the three-year Government of Alberta plan to have a financially, stable, open and accountable government and a strong intergovernmental position in Canada (Goal 8), which is aligned with the 20-year plan of competing in the global marketplace (Opportunity 3). Municipal Affairs participates in this goal through the provision of grants in place of taxes to municipalities.

Our plan also supports the three-year Government of Alberta plan to make Alberta a fair and safe place to work, live and raise families (Goal 9), which is aligned with the 20-year plan of making Alberta the best place to live, work and visit (Opportunity 4). Municipal Affairs provides support with:

- an emergency management program that enables effective preparation for, response to and recovery from major emergencies and disasters,
- a comprehensive safety system, including appropriate codes and standards, that provides an appropriate level of public safety, and
- programs to reduce personal and property loss resulting from preventable fires.

VISION

Viable, responsive, and well-managed local governments and a public safety system that results in safe buildings, equipment and facilities, and effective emergency management.

MISSION

Alberta Municipal Affairs works in partnership with Alberta's municipalities, other provincial government departments, our federal partners, local authorities, various organizations focused on local matters, and the private sector to ensure Albertans live in safe and sustainable communities and are served by open, effective, accountable and well-managed local governments.

VALUES

As a Ministry, we value and support honesty, fairness, professionalism, and accountability, while focusing on exceptional service for our clients. We value our staff and their contributions of innovation, creativity, collaboration and open communication. These elements are key in achieving our Ministry's vision.

CORE BUSINESSES

Core Business 1: Local Government Services

Providing support services, policies and legislation that enhance the development of a sustainable, accountable, well-managed, responsive and effective local government sector

Goal 1	An effective, responsive, cooperative and well-managed local government sector
Goal 2	Financially sustainable and accountable municipalities
Goal 3	A well-managed and efficient assessment and property tax system in which stakeholders have confidence.

Core Business 2: Safety Services and Fire Protection

Administering the safety system—the aggregate of provincial programs, regulations, partnerships, codes and standards—that provides for safety in the areas governed by the *Safety Codes Act*, and promotes fire protection throughout the province.

Goal 4	A comprehensive safety system that provides an appropriate level of public safety

Core Business 3: Emergency Management Alberta

Managing provincial emergency management programs and supporting municipalities to ensure their preparedness to deal with major emergencies and disasters.

Goal 5	An emergency management program that enables effective preparation for, response to, and recovery from major emergencies and disasters

Core Business 4: Municipal Government Board

Providing independent, quasi-judicial adjudication on matters specified under the *Municipal Government Act*.

Goal 6	An independent appeal system that administers and issues timely and impartial decisions of high quality

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Municipal Affairs strives to be vigilant and responsive in fulfilling its mandate to ensure that Albertans live in safe, well-managed communities.

Rapid growth, shifting demographics, reliance on technology, and the vulnerability of a resource-based economy all impact local government operations. Industry clustering, potential threats to security, complex regulatory frameworks and compliance requirements, and a shortage of skilled labour are challenges that impact Municipal Affairs' business activities.

The Ministry business plan includes strategies to respond to Albertans' priorities. Three categories of opportunities and challenges have been identified which may affect business plan outcomes:

Stakeholder Relations:	Increased clarity in the roles, responsibilities and resource commitments will allow each order of government to more efficiently and effectively deliver its mandate. A key priority for the Ministry is to work with municipal partners to refine the roles and responsibilities of municipal governments and their relationship with the provincial government. Municipalities and the provincial government will work in partnership to serve Albertans.
Challenges of Growth:	Municipalities continue to face financial pressure to repair or replace existing infrastructure. Some municipal property tax assessment bases are declining while other municipalities face rapid growth pressures. Municipalities continue to indicate that current funding levels and revenue sources may not be adequate to meet service or infrastructure demands. Municipal Affairs has the opportunity to work with stakeholders and assist in the development of strategies to enhance services provided to citizens.
Public Safety and Security:	Perceptions of safety and security have changed because of world events. Priorities such as business continuity, critical infrastructure, water quality, and growth are exerting increasing pressure on the Ministry, municipalities and other partners. The Ministry will build on the planning and response framework it has developed over the last two years to enhance emergency management capabilities. Albertans' expectations are also driving the development of innovative codes and standards. Further, recognizing the role and contribution of the fire service to public safety, the Ministry will promote initiatives to develop a unifying framework for fire services throughout the province.

With the ongoing support of partners, the Ministry is committed to responding to new challenges, accommodating new technology, and developing effective solutions to meet the changing needs and priorities of Albertans.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. **Roles, Responsibilities, and Resources:** **Linkage: Goal 1**	A key priority for the Ministry is to work with municipal partners to refine the roles and responsibilities of municipal governments and their relationship with the provincial government. Increased clarity will allow each order of government to more efficiently and effectively deliver the services for which it is responsible.
2. **Emergency Management:** **Linkage: Goal 5**	World events have emphasized the need to enhance existing provincial government emergency management, while developing provincial and local capabilities to deal with major emergencies and disasters.
3. **Energy Efficiency and Conservation:** **Linkage: Goal 1**	The Ministry is working in partnership with municipalities and Climate Change Central to assist municipalities in addressing the challenge of supporting energy efficiency and conservation.
4. **Partnerships:** **Linkage: Goal 1, 4, 5**	The Ministry is continuing to support an enhanced partnership approach involving consultation, innovation and shared resourcing in the delivery of services and programs. This approach provides opportunities to deliver services more effectively, making the most of limited resources.
5. **Safety System Innovation:** **Linkage: Goal 4**	The Safety System Review Report provides a strategic framework for enhancing the province's safety system. The Ministry will work with national and international codes and standards committees to advance performance-based and objective-based codes, promote harmonization of codes and accommodate new technology in codes and standards.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Local Government Services

GOAL ONE

An effective, responsive, cooperative and well-managed local government sector

What it means The Ministry promotes Alberta's prosperity and the Alberta Advantage by encouraging the development of an efficient local government sector that provides the services and infrastructure that Albertans and businesses need.

Key Result 1 **Support systems, programs and partnerships that foster excellence in local governance, management, and service delivery**

Strategies

- Encourage municipalities to cooperate with their neighbours to develop, finance and implement improved growth management and more efficient service delivery systems
- Work with rural and urban municipalities to establish effective and efficient regional partnerships that create an atmosphere to attract and retain investment, compete globally, and contribute to a high quality of life
- Assist municipalities in addressing the challenges of climate change by supporting energy efficiency and conservation
- Promote the self-evaluation of excellence to assist municipalities and citizens in developing innovative strategies for more effective governance, administration, financial management, and service delivery. Maintain a program to recognize municipal excellence
- Develop and coordinate education and information services that include training programs, job exchanges, online information, and workshops for local elected officials, administrators, staff, and related professionals
- Provide management and administrative services for the Special Areas and National Park Improvement Districts

Key Result 2 **Resolution of local and intermunicipal governance and management matters**

Strategies

- Provide governance, administration and management, and land-use planning advice to local governments and associated local service delivery organizations
- Support intermunicipal cooperation and self-directed dispute resolution through mediation and facilitation
- Support the local dispute resolution initiative to help municipalities resolve internal disputes with staff and citizens

Key Result 3 **A coordinated provincial government approach toward municipalities**

Strategies

- Support the Minister's Provincial/Municipal Council on Roles, Responsibilities and Resources in the 21st Century to refine the government's working relationship with municipalities and support a mechanism to address major municipal-provincial challenges and revenue considerations
- Work cooperatively with the federal government, other ministries, municipalities, Metis settlements and other organizations to improve the provision, coordination, and implementation of policies, and the delivery of programs and services that enhance local service effectiveness and efficiency

Key Result 4 **A legislative framework that enables municipalities to operate successfully and meet the local needs of Albertans**

Strategies

- Develop changes to provincial legislation and regulations related to municipalities that support innovative and improved approaches to local governance and service delivery that will also result in a more refined legislative framework
- Review provincial land-use policies to determine the applicability of Smart Growth principles

Performance Measure

Level of satisfaction with the Local Government Services Division's activities, services and programs, in enabling and promoting a cooperative and well-managed local government sector (Calculates the percentage of the units within Local Government Services that achieved their individual performance targets. Unit performance is determined through a satisfaction survey of stakeholders.)

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Level of satisfaction with the Local Government Services Division's activities, services and programs	100%	80%	80%	85%

GOAL TWO Financially sustainable and accountable municipalities

What it means The Ministry monitors and assists the financial sustainability of local government, while providing the legislative framework under which municipalities are responsible and accountable to their citizens, particularly for the expenditure of public funds.

Key Result 1 **Appropriate Ministry services and systems are in place to contribute to financially sustainable municipalities**

Strategies

- Maintain the Ministry's financial monitoring systems that provide evidence of municipal financial capacity
- Provide continued advisory support to municipalities
- Assist municipalities in examining and pursuing innovative approaches and restructuring that will address their financial sustainability
- Encourage and facilitate cost-sharing between municipalities

Key Result 2 **Financial support that enhances local government financial capability**

Strategies

- Administer the Unconditional Municipal Grant Program, Municipal Sponsorship Program, the Grants in Place of Taxes Program, the Municipal Debenture Interest Rebate Program and other existing municipal grant programs
- Modify existing grant programs and develop new grant initiatives where enhanced support for local government communities is appropriate

Performance Measure

Percentage of municipalities meeting Ministry's criteria of financial accountability
The key criteria are contained in the *Municipal Government Act*. The measure is calculated based on a demerit point system weighting the criteria. Municipalities exceeding a set point limit are considered not to have met the criteria for municipal financial accountability.

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of municipalities meeting Ministry's criteria of financial accountability	98%	97%	97%	97%

GOAL THREE 3

A well-managed and efficient assessment and property tax system in which stakeholders have confidence

What it means The Ministry promotes a fair and reliable system of generating revenue through taxation of property for local governments and the province that is understandable to stakeholders.

Key Result 1 **An assessment and property tax system that is accurate, understandable, predictable, transparent and timely**

Strategies

- Demonstrate leadership by exhibiting a high level of professional standards and practice in assessment and clearly identifying roles and functions of all stakeholders within the system
- Administer assessment procedures and guidelines on an ongoing basis, and review regulated assessment procedures and guidelines regularly
- Develop and maintain handbooks and guides and provide professional advice to ensure that assessment practices and methodologies are current
- Support the property assessment and tax system by providing timely and accurate linear property assessments
- Support the property assessment and tax system by providing timely and accurate equalized assessments and education tax requisitions
- Facilitate appropriate sharing of data to improve the assessment, audit, equalization, and education taxation requisition processes·
- Maintain a comprehensive program of annual statistical audits and a five-year cycle for assessment procedure audits for each municipality

Performance Measure

Percentage of municipal assessment rolls which meet provincial standards for procedures, uniformity, and equity

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of municipal assessment rolls meeting standards	97%	95%	95%	95%

Core Business Two: Safety Services and Fire Protection

GOAL FOUR

A comprehensive safety system that provides an appropriate level of public safety

What it means Albertans are confident that the homes, buildings and facilities where they work, live and do business, and the associated equipment, such as elevators, electrical, heating and plumbing systems are constructed and maintained to safe standards.

Key Result 1 **Appropriate codes and standards**

Strategies

- Participate in the review, development and harmonization of national and international codes, standards and provincial regulations that are used in Alberta
- Maintain appropriate codes, standards and regulations in consultation with the Safety Codes Council, industry, the public, delegated administrative organizations (DAOs), and other partners. The DAOs are: Alberta Boilers Safety Association, Alberta Elevating Devices and Amusement Rides Safety Association, and Petroleum Tank Management Association of Alberta
- Work with national and provincial bodies in the development of objective-based and performance-based safety codes

Key Result 2 **Uniform, effective and efficient administration of codes, standards and programs**

Strategies

- Manage and maintain effective monitoring programs that promote continued improvement of accredited municipalities, agencies, corporations and delegated administrative organizations in their administration of the *Safety Codes Act*
- Promote municipalities' acceptance of the Uniform Quality Management Plan to provide consistency in the delivery of inspection services
- Provide leadership and technical advice to users of the safety system in the administration of the *Safety Codes Act* and the interpretation of legislation, technical codes and standards
- Promote information sharing with users of the safety system as well as public awareness and understanding of the purpose and value of codes and standards
- Promote the use of the province-wide electronic permitting and information system by accredited municipalities
- Enhance programs in partnership with stakeholders to mitigate the health and environmental risks posed by private sewage disposal
- Monitor the administration of the Underground Petroleum Storage Tank Site Remediation Program by the Safety Codes Council
- Encourage municipalities and other stakeholders to establish partnerships for the administration of the *Safety Codes Act*

Key Result 3 **Reduced personal and property loss resulting from preventable fires**

Strategies

- Promote public awareness of fire prevention and safety by disseminating fire safety information and delivering targeted educational campaigns
- Encourage regional, provincial, and national partnerships to promote fire safety and injury prevention
- Assist municipal fire departments with fire investigations, fire protection advisory services, public education, inspections and regional seminars
- Provide and maintain a province-wide fire incident database system
- Develop fire program priorities based on analysis of the database and other information sources
- Encourage all Aboriginal communities to report fire statistics so they can use their data to develop fire prevention programs

Key Result 4 **Enhanced access to progressive skills training and leadership development for fire service personnel**

Strategies

- Assist *fire etc.* (the provincial fire training centre) in delivering internationally accredited training and development programs
- Explore innovative fire service training partnerships to use resources from across the province, promoting a regional service delivery concept
- Provide grants to assist municipal fire departments with training programs

Key Result 5 **An Alberta fire service that shares a strategic vision for all aspects of fire protection**

Strategies

- Develop a unifying framework for the fire service
- Research, develop and recommend standards and uniform procedures for Alberta's fire departments

Performance Measures

The percentage of assessed accredited municipal entities, corporations, agencies, and delegated administrative organizations administering the *Safety Codes Act* that achieve a satisfactory rating

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage achieving a satisfactory rating - Restated*	96%	95%	95%	95%
- Original	97%	95%	95%	95%

* Methodology changed from monitoring 80% of accredited municipal entities and accredited corporations each year to a defined 1/3 sample each year. Methodology for accredited agencies and delegated administrative organizations does not change.

Fire safety and prevention indicator

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Fire deaths per 100,000 population (10-year moving average)	1.25	Less than or equal to 2003-04 10-year moving	Less than or equal to 2004-05 10-year moving	Less than or equal to 2005-06 10-year moving

Core Business Three: Emergency Management Alberta

GOAL FIVE 5

An emergency management program that enables effective preparation for, response to, and recovery from major emergencies and disasters

What it means Alberta's communities and the provincial government, in collaboration with partners, deal effectively with major emergencies and disasters.

Key Result 1 **Timely and effective emergency management**

Strategies

- Coordinate the development, training, evaluation and maintenance of the province's and individual ministry emergency plans
- Assist municipalities (including Metis settlements) and First Nations in developing, evaluating and maintaining their emergency plans and providing related training assistance
- Support municipalities (including Metis settlements) and First Nations in responding to major emergencies and disasters
- Lead the development, training, evaluation, maintenance and coordination of the Government of Alberta and ministry business continuity plans
- Train partners in the use of Alberta's emergency management operations centre and activate the centre as appropriate
- Manage disaster recovery programs and, whenever possible, facilitate federal cost sharing
- Provide grants to municipalities to assist them in the delivery of emergency management training
- Lead the development and implementation of emergency management information and notification systems

Key Result 2 **Effective partnerships**

Strategies

- Lead and support the development of joint mitigation and preparedness strategies and initiatives with partners
- Enhance the use of Alberta's emergency management operations centre through federal, provincial, municipal and private sector partnerships
- Promote membership in and enhance the activities of the Alberta Emergency Preparedness Partnership
- Work with other provincial ministries, provinces and territories to negotiate with the federal government an equitable arrangement for allocating federal-provincial disaster assistance

Performance Measures

Achieve a level of 100 per cent of claims where a member of the damage assessment team arrives on-site within 30 days of a claim being received

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of assessment team arrivals within 30 days	100%	100%	100%	100%

Level of preparedness testing as measured by the cumulative percentage of municipalities required to have emergency plans under the *Disaster Services Act* that test their emergency plans through exercises within a four-year cycle

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Cumulative percentage of municipalities confirmed to have exercised their emergency plans	46%	80%	100%	40%

Core Business Four: Municipal Government Board

GOAL SIX

An independent appeal system that administers and issues timely and impartial decisions of high quality

What it means An efficient, effective and responsive appeal system that is seen as being fair and impartial by all parties to a complaint or appeal, and that provides quality processes and decisions.

Key Result 1 **Timely processing of appeals filed with the Board**

Strategies

- Complete redevelopment of the board's database. Continue to enhance databases to achieve the efficient recording, tracking, analyzing and managing of all appeal activity
- Investigate advanced case management procedures for selected appeals to ensure timeliness in hearing and deciding appeals
- Work with stakeholders to expedite the scheduling and hearing of appeals
- Schedule, monitor and track all decision-making and writing activities to ensure compliance with established timelines and procedures
- Continue to develop administrative procedures that ensure withdrawals are undertaken in a timely fashion and effectively allow resources to be assigned to each matter requiring a hearing

Key Result 2 **High quality, independent processes, decisions and solutions**

Strategies

- Provide ongoing training to strengthen adjudication skills for sustaining high quality, timely, consistent and independent processes and decision-making
- Obtain feedback from stakeholders on an annual basis to gauge board performance, areas of strength and areas requiring improvement
- Explore, develop and pilot various processes for expediting appeals such as alternate dispute resolution methods, advanced appeal management, and one-member panels
- Manage the recruiting program to ensure the board maintains the required range of professional skills to meet its roles and responsibilities as a quasi-judicial tribunal

Performance Measure

Considering the environment of board hearings in which 50 per cent of parties may receive an unfavourable decision, the board will strive to ensure that 80 per cent of parties who appear before it are satisfied or neutral regarding the board's services and processes

	Last Actual	Target* 2004-05	Target 2005-06	Target 2006-07
Percentage of parties satisfied or neutral regarding the board's services and processes	New	80%	80%	80%

* This is a new measure introduced for the 2004-05 reporting period.

SUPPORT SERVICES

Financial and Information Technology Services	Directs the Ministry's information-technology, financial reporting and budgetary activities, in a shared services environment, and ensures an accountability framework is in place to meet the obligations of the *Financial Administration Act* and the *Government Accountability Act.*
Business Services	Manages business planning and performance measurement, environmental scanning, information access, and privacy protection. Coordinates legislative planning, Recommendations for Orders-in-Council, and Ministerial Orders. Monitors and coordinates responses on activities of the Legislative Assembly that impact the Ministry. Provides central administrative services in a shared services environment with the Alberta Corporate Services Centre.
Communications	Provides strategic communications advice, consulting services, planning and communications support to the Minister, Deputy Minister and department staff to help communicate effectively with stakeholders, the media and Albertans.
Human Resources	Provides support in the human resource function to management and staff in achieving departmental priorities and the goals of the business plan. Some services are provided through a shared services approach in partnership with the Alberta Corporate Services Centre.
Legal Services	Provides legal services to Municipal Affairs and Government Services and their associated boards in a shared services environment.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Local Government Services	108,572	112,431	115,635	101,391	101,487	101,597
Safety Services and Fire Protection	23,165	11,260	11,356	11,984	11,478	11,478
Emergency Management Alberta	25,806	5,264	12,460	6,220	5,868	5,868
Municipal Government Board	3,127	3,319	3,328	3,397	3,295	3,295
MINISTRY EXPENSE	160,670	132,274	142,779	122,992	122,128	122,238

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	40,000	40,000	40,000	24,000	24,000	24,000
Transfers from Government of Canada	8,545	78	318	85	85	85
Premiums, Fees and Licences	373	378	402	362	352	347
Other Revenue	1,845	1,831	1,795	1,687	1,687	1,687
MINISTRY REVENUE	50,763	42,287	42,515	26,134	26,124	26,119
EXPENSE						
Program						
Ministry Support Services	9,678	10,684	10,842	10,834	10,817	10,817
Local Government Services	103,402	106,647	109,767	95,527	95,632	95,742
Public Safety	45,020	12,105	19,332	13,724	12,873	12,873
Municipal Government Board	2,520	2,638	2,638	2,707	2,606	2,606
Valuation Adjustments and Other Provisions	50	200	200	200	200	200
MINISTRY EXPENSE	160,670	132,274	142,779	122,992	122,128	122,238
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(109,907)	(89,987)	(100,264)	(96,858)	(96,004)	(96,119)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	50,763	42,287	42,515	26,134	26,124	26,119
Inter-ministry consolidation adjustments	(40,000)	(40,000)	(40,000)	(24,000)	(24,000)	(24,000)
Consolidated Revenue	10,763	2,287	2,515	2,134	2,124	2,119
Ministry Program Expense	160,670	132,274	142,779	122,992	122,128	122,238
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**160,670**	**132,274**	**142,779**	**122,992**	**122,128**	**122,238**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(149,907)	(129,987)	(140,264)	(120,858)	(120,004)	(120,119)

Revenue

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Greg Melchin, *Minister of Revenue*
March 2, 2004

THE MINISTRY

The Ministry of Revenue includes the Department of Revenue, Alberta Securities Commission, a provincial corporation and the following five regulated funds: Alberta Heritage Savings Trust Fund, Alberta Heritage Foundation for Medical Research Endowment Fund, Alberta Heritage Scholarship Fund, Alberta Heritage Science and Engineering Research Endowment Fund and Alberta Risk Management Fund.

The Department has five main areas: Tax and Revenue Administration, Investment Management, Risk Management, Investment Administration, and Policy and Strategic Planning. The Alberta Securities Commission is the regulatory agency responsible for overseeing the capital market in Alberta.

Revenue is responsible for managing the investments of the Province of Alberta, developing tax and revenue policy within the province, administering tax programs and minimizing the risk of loss of public assets.

LINK TO THE GOVERNMENT STRATEGIC BUSINESS PLAN

The following table identifies where the Ministry Business Plan supports the Goals and Opportunities of the Government of Alberta Strategic Business Plan.

Government 3-year Business Plan	Government 20-year Strategic Plan	Revenue 2004-07 Business Plan
• Goal 1- Albertans will be healthy • Goal 2 - Albertans will be well prepared for lifelong learning and work	Opportunity 4 - Making Alberta the best place to live, work and visit Opportunity 2 - Leading in learning	• Investment policies (Goal 2) and superior investment returns (Goal 5) for government endowment funds
• Goal 8 - Alberta will have a financially stable, open and accountable government	Opportunity 4 - Making Alberta the best place to live, work and visit	• Revenue structure (Goal 1) and revenues collected (Goal 3) • Investment policies (Goal 2) and superior investment returns (Goal 5) for the Heritage Fund. • Proactively managed risk (Goal 8).
• Goal 7 - Alberta will have a prosperous economy • Goal 9 - Alberta will be a fair and safe place to work, live and raise a family	Opportunity 3 - Competing in a global marketplace Opportunity 4 - Making Alberta the best place to live, work and visit	• Revenue structure (Goal 1) • An effective securities regulatory system (Goal 9)

VISION

A province where government revenue policy and administration reflect the values of Albertans, balance present and future needs, and contribute to a stable environment for the generation of wealth for all Albertans.

MISSION

To provide prudent and innovative revenue, investment and risk management and to regulate and foster capital markets in Alberta.

CORE BUSINESSES

Core Business 1: Long-term Revenue and Investment Policy

Goal 1 - A revenue structure that meets Alberta's needs and is consistent with Albertans' values
Goal 2 - Investment policies that will provide the greatest financial returns for current and future generations of Albertans

Core Business 2: Manage Revenue Programs

Goal 3 - Revenues due to the province are collected fairly, efficiently and effectively
Goal 4 - Excellence in client service

Core Business 3: Manage and Invest Financial Assets

Goal 5 - Superior investment returns subject to client-defined objectives and policies
Goal 6 - Excellence in client service
Goal 7 - An effective investment management organization

Core Business 4: Manage Risk Associated with Liability Exposure and Loss of Public Assets

Goal 8 - Proactively managed risk

Core Business 5: Regulate and Foster Alberta's Capital Market

Goal 9 - An effective, efficient and streamlined securities regulatory system

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Volatile capital markets have a direct impact on the income of government investment funds. If markets are weak for extended periods the solvency of pension plans can be affected over the long term, and endowment funds must review their expenditure plans for sustainability.

Economic conditions can also impact the growth and volatility of tax and other revenue sources, so revenue needs must be managed. In addition, non-compliance by taxpayers can lead to revenue loss.

In managing liability exposure and the risk of loss of public assets, the Ministry must balance its mix of insurance and self-insurance, and the costs and risks the government must bear in executing this responsibility.

The Ministry faces challenges in regulating and fostering Alberta's capital market. Investor protection has to be balanced with the ability of firms to raise capital. It is also necessary to guard against unnecessary duplication of regulation to ensure capital formation in Canada is not adversely affected, while preserving the ability to respond to regional needs.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Revenue Management Framework **Linkage: Goal 1**	Continue development of a revenue management framework to contribute to sound strategic decision-making about Alberta's long-term revenue structure and policy.
2. Endowment Fund **Linkage: Goals 1 and 2**	Strengthen the Alberta Heritage Savings Trust Fund and other government endowment funds.
3. Investment Organization **Linkage: Goals 5, 6 and 7**	Develop Alberta Investment Management to better meet the needs of investment clients including government endowment funds and public sector pension funds.
4. Securities Regulation **Linkage: Goals 9 and 10**	Lead and actively promote the development and implementation of an efficient and cost-effective interprovincial system of securities regulation.
5. Tax Administration **Linkage: Goals 3 and 4**	Identify and address program areas where there is high risk of non-compliance.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Long-Term Revenue and Investment Policy

GOAL ONE

A revenue structure that meets Alberta's needs and is consistent with Albertans' values

What it means

The Government needs to ensure that its revenue structure maximizes productivity and wealth generation, while providing adequate funds for the services that Albertans expect. Through a revenue management framework, revenue and investment policies will be designed to maximize productivity and wealth generation while preserving and enhancing the quality of life for Albertans. In exercising its leadership role for this initiative, Revenue will continue to monitor Alberta's revenue competitiveness in a national and international context. The department will also work with stakeholders to review revenue policy issues on an ongoing basis.

Strategies

- Develop and maintain a revenue management framework including long-term revenue projections and analysis of Alberta's revenue sources.
- Work with other ministries to develop and implement long-term revenue strategies.
- Strengthen the Alberta Heritage Savings Trust Fund and other endowment funds.
- Monitor Alberta's revenue competitiveness in a national and international context.
- As affordable, complete implementation of the Business Tax Plan to reduce the general corporate income tax rate from 11.5% to 8%.

Performance Measures

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Provincial tax load for a family of four[1]	Lowest in Canada		Lowest in Canada	
Provincial tax load on businesses[1]	Third Lowest in Canada		Lowest in Canada	

[1] Shared Measure with Alberta Finance

GOAL TWO

Investment policies that will provide the greatest financial returns for current and future generations of Albertans

What it means

Prudent approaches to savings, including appropriate distributions of income, are an important aspect of a sustainable future. Investment policies, such as how much to invest in equities versus bonds, are the major determinants of an investment fund's performance over time. Alberta Revenue is responsible for the investment policies of the Alberta Heritage Savings Trust Fund, and other government endowment funds.

Strategies

- As affordable, ensure that the Alberta Heritage Savings Trust Fund grows with inflation over time.
- Work with other ministries and foundations on spending rules for other endowment funds.
- Develop and implement a rigorous analytical framework for determining asset allocation policies.
- Develop a framework to diversify risk and enhance expected returns of the Heritage Fund and other endowment funds.

Performance Measure

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Five-year market value rate of return of the Heritage Fund investment policy benchmark compared against Consumer Price Index (CPI).	New	Equal to or better than CPI plus 4.5%		

Core Business Two: Manage Revenue Programs

GOAL THREE

Revenues due to the province are collected fairly, efficiently and effectively

What it means The Department of Revenue through the Tax and Revenue Administration Division (TRA) collects revenue owing to the Province, administers provincial tax laws, makes payments of refunds and rebates and provides information to stakeholders, taxpayers and claimants. Collecting revenues *fairly* means that all taxpayers and claimants are treated with respect; *efficiently* means that the Department of Revenue provides excellent value for money spent; and *effectively* means that revenue losses due to tax evasion are minimized. As part of its responsibilities, TRA provides expertise to other ministries on initiatives with revenue implications. The department also provides support to taxpayers to ensure returns are submitted accurately the first time.

Strategies

- Implement tax changes included in Alberta's tax plan.
- Identify and address program areas where there is high risk of non-compliance.

Performance Measures

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Percentage of tax accounts with no monies owing	95.6 %	96%	96%	96%
Ratio of amounts added to net revenue to costs of administration	12.3:1	12:1	12:1	12:1

GOAL FOUR

Excellence in client service

What it means Albertans expect top-notch service from the tax administration. Excellence in client service means understanding and then meeting or exceeding client expectations. It is important that clients are satisfied with our administration of tax and rebate programs and are able to provide feedback on areas where improvements can be made.

Strategies

- Implement e-business solutions to improve client service.
- Consult with Albertans through surveys and meetings to determine service expectations.
- Work with Canada Customs and Revenue Agency and provinces to harmonize tax programs and processes.

Performance Measure

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Client satisfaction with tax administration	88.7 %	85%	85%	85%

Core Business Three: Manage and Invest Financial Assets

GOAL FIVE

Superior investment returns subject to client-defined objectives and policies

What it means Once clients have determined investment policies, Alberta Investment Management can enhance returns relative to the returns that would be earned on a passively invested portfolio (e.g. Canadian equities invested in the S&P/TSX index).

Strategies

- Develop innovative strategies to enhance investment product returns.
- Develop the capability, and innovative strategies, to enhance returns at the total fund level.
- Implement an improved risk management framework.
- Develop techniques to implement tactical market decisions quickly.

Performance Measure

	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Five - year weighted average market value rate of return for endowment funds compared against the weighted average policy asset mix rate of return (benchmark) for endowment funds.	Benchmark plus 0.4% (for Heritage Fund only)	Benchmark plus 0.5% (new benchmark for all Endowment Funds)		

GOAL SIX

Excellence in client service

What it means Driven by a client focus, Alberta Investment Management strives to be innovative and to exceed expectations. Investment clients are asked to provide their input to long-term plans and to identify new business opportunities. Alberta Investment Management will continue to provide strategic support to help clients set investment objectives, policies and risk guidelines.

Strategies

- Improve timeliness and quality of market intelligence and client-related research.
- Improve information delivery mechanisms to be more timely and flexible, such as electronic service delivery.

Performance Measure

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Client satisfaction with services provided	New	80%	80%	80%

GOAL SEVEN

An effective investment management organization

What it means Alberta Investment Management strives to be among the best public sector investment organizations. By enhancing processes and utilizing industry best practices, Alberta Investment Management provides a value added and cost-effective investment service for clients.

Strategies

- Improve the technology platform including enhancing data integration, risk measurement and implementing a straight through processing environment to keep pace with evolving industry standards.
- Strengthen the governance of the investment organization.

Performance Measure

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Straight Through Processing (STP) of investment transactions as measured by percent of investment transactions with external parties transmitted electronically to custodian on trade date	New	80%	85%	90%

Core Business Four: Manage Risk Associated with Liability Exposure and Loss of Public Assets

GOAL EIGHT

Proactively managed risk

What it means The Risk Management and Insurance Division (RMI) administers a program to protect, secure and preserve public assets against risk of significant accidental loss. RMI provides services to ministries to help them identify, measure, control and finance their risk. The program serves all entities subject to the *Financial Administration Act*. RMI also administers a program of self-insurance and purchased insurance.

Strategies

- Work with Justice and other ministries on innovative strategies to resolve claims against the Crown.
- Assist Finance in the development of an enterprise risk management framework.
- Advise on risk allocation with private sector partners.
- Implement new technology to improve claims management.

Performance Measures

	Last Actual (year)	Target 2004-05	Target 2005-06	Target 2006-07
Cost of claims (insurance premiums plus self-insured losses)	$10,330,000 (2002-03)	$8,150,000	$8,250,000	$8,350,000
Satisfaction with the services provided by the division (survey issued every 2 years)	81% (2001-02)	n/a	80%	n/a

Core Business Five: Regulate and Foster Alberta's Capital Market

GOAL NINE

An effective, efficient and streamlined securities regulatory system

What it means An effective, efficient and streamlined securities regulatory framework is key to a strong and vibrant economy. It assists in the development of strong national and local capital markets and promotes the interests of both issuers seeking capital and investors providing that capital through their investment dollars.

Strategies

- Lead and actively promote the development and implementation of an efficient and cost effective interprovincial system of securities regulation.
- Lead the development of highly harmonized securities legislation that could be adopted across Canada.
- Ensure that market regulation meets the specific needs of Alberta firms and investors.
- Work with other ministries to develop strategies to increase opportunities for Alberta firms and investors.

Performance Measures

	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Interprovincial system of securities regulation	New	Established	Expanded	Expanded
Harmonized securities legislation	New	Proposal developed	Legislation adopted	–

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Long-term Revenue and Investment Policy	857	1,572	1,295	2,204	2,263	2,087
Manage Revenue Programs	84,762	42,348	52,622	45,992	46,717	47,690
Manage and Invest Financial Assets	90,428	122,255	98,871	112,634	118,183	119,955
Manage Risk associated with Liability Exposure and Loss of Public Assets	11,773	8,080	15,922	9,940	10,144	10,251
Regulate and Foster Alberta's Capital Market	19,024	19,621	18,650	21,281	22,004	22,752
MINISTRY EXPENSE	206,844	193,876	187,360	192,051	199,311	202,735

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers*	5,030	21,630	21,630	200	200	200
Personal and Corporate Income Taxes	6,852,823	7,050,799	6,409,218	7,041,956	7,413,840	7,856,007
Other Taxes	1,430,255	1,431,692	1,463,339	1,491,731	1,531,444	1,571,764
Investment Income	(1,034,092)	496,170	1,089,000	700,010	798,964	832,913
Premiums, Fees and Licences	15,378	17,100	16,090	18,430	18,994	19,370
Other Revenue	16,778	19,673	18,136	22,775	25,884	27,462
MINISTRY REVENUE	7,286,172	9,037,064	9,017,413	9,275,102	9,789,326	10,307,716
EXPENSE						
Program						
Revenue and Investment Policy	468	1,176	877	1,797	1,853	1,672
Tax and Revenue Collection	83,206	40,763	50,949	44,364	45,076	46,030
Investment	89,067	120,868	97,407	111,210	116,747	118,502
Government Risk Management and Insurance	11,384	7,684	15,503	9,533	9,733	9,836
Regulation of Capital Markets	18,830	19,423	18,441	21,078	21,799	22,544
Ministry Support Services	3,889	3,962	4,183	4,069	4,103	4,151
MINISTRY EXPENSE	206,844	193,876	187,360	192,051	199,311	202,735
Gain (Loss) on Disposal of Capital Assets	(183)	-	-	-	-	-
NET OPERATING RESULT	7,079,145	8,843,188	8,830,053	9,083,051	9,590,015	10,104,981

* Contributions to the Alberta Heritage Science and Engineering Research Endowment Fund from the Department of Innovation and Science have been restated for the comparable 2003-04 budget to reflect the actual reporting method used.

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue*	7,286,172	9,037,064	9,017,413	9,275,102	9,789,326	10,307,716
*Inter-ministry consolidation adjustments**	(29,748)	(45,543)	(45,381)	(24,418)	(24,430)	(24,151)
Consolidated Revenue	7,256,424	8,991,521	8,972,032	9,250,684	9,764,896	10,283,565
Ministry Expense	206,844	193,876	187,360	192,051	199,311	202,735
Inter-ministry consolidation adjustments	(27,901)	(28,118)	(29,046)	(29,620)	(31,415)	(32,525)
Consolidated Expense	**178,943**	**165,758**	**158,314**	**162,431**	**167,896**	**170,210**
Gain (Loss) on Disposal of Capital Assets	(183)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	7,077,298	8,825,763	8,813,718	9,088,253	9,597,000	10,113,355

* Contributions to the Alberta Heritage Science and Engineering Research Endowment Fund from the Department of Innovation and Science have been restated for the comparable 2003-04 budget to reflect the actual reporting method used.

Seniors

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Stan Woloshyn, *Minister of Seniors*
March 4, 2004

THE MINISTRY

The Ministry of Seniors consists of the Department of Seniors, the Seniors Advisory Council for Alberta, and the Alberta Social Housing Corporation (ASHC).

The Department develops and delivers programs, services, and planning initiatives for seniors and the aging population; administers the Office of the Public Guardian; and supports the provision of housing for seniors, families, and persons with special needs.

The Seniors Advisory Council for Alberta brings the views of seniors to the attention of government and makes recommendations to the government on the coordination of policies and programs relating to seniors. The ASHC is an agent of the Crown established under the authority of the *Alberta Housing Act*. The corporation operates primarily as an administrative device for holding housing assets, including mortgages.

LINK TO THE GOVERNMENT BUSINESS PLAN

Seniors' core businesses support the strategies in the Government of Alberta's Strategic Plan for making Alberta the best place to live, work and visit, as well as the Government of Alberta's Business Plan Goals:

- Albertans will be self-reliant and those unable to provide for their basic needs will receive help.
- Alberta will have effective and sustainable government-owned and supported infrastructure.

VISION

A vibrant province where Albertans live with dignity as full participants in society and experience the best possible well-being and independence.

MISSION

To provide services, programs, and information that contribute to the well-being and independence of seniors, persons in need of housing supports, and clients of the Office of the Public Guardian.

CORE BUSINESSES

Core Business 1: Provide services, programs, and planning for seniors and the aging population.

Goal 1 - Seniors in need have access to financial supports that enable them to live in a secure and dignified way.

Goal 2 - Information provided by the Ministry on programs, services, and initiatives for older Albertans is accessible, accurate and consistent.

Goal 3 - Government policies, programs, and plans effectively anticipate and respond to the needs of current and future seniors.

Core Business 2: Support the provision and ongoing management of basic housing and emergency shelter for lower-income Albertans.

Goal 4 - Provincially owned and supported housing is efficiently and effectively managed and appropriately utilized.

Goal 5 - Development of a range of housing for lower-income Albertans is supported by the Ministry.

Core Business 3: Provide programs, services, and supports to enable appropriate substitute decision-making.

Goal 6 - Albertans' best interests and well-being are served through appropriate and timely substitute decision-making.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

SERVING ALBERTA'S SENIORS

The challenge for Seniors in serving seniors is to respond effectively to the diversity and changing needs of the seniors population, while maintaining long term sustainability of services.

The seniors population spans more than two generations, with an age range from 65 to over 100 years. It encompasses different work and cultural experiences; different skills, abilities, expectations; and varying levels of health, vulnerability, financial independence, and education. Seniors' living situations include independent home living, home living with supports, assisted living, and long-term care.

Seniors' incomes are lower on average than those of most other age groups, deriving primarily from pensions, government transfers, and private savings. Unlike younger people, seniors have relatively fixed incomes, with limited ability for improvement through employment or education, and limited capacity for increasing savings.

However, their costs are variable. Although some costs (e.g., mortgage payments) may be lower for seniors, other costs increase, especially for seniors who become frail as they age. These costs include home maintenance, personal care, transportation, daily living aids, prescription medications, and long-term care accommodation. In addition, lower income seniors are particularly affected by unexpected expenses (e.g., sudden increases in utility costs, major house repairs) and reductions to or increased cost-sharing of government programs.

The Ministry has used its existing financial support programs to enable lower-income seniors to access supportive living services, and to relieve the burden of unexpected and extraordinary expenses. The success of this approach provides an opportunity for the Ministry to continue to build flexibility into its policy and program responses, while ensuring the long-term sustainability of supports.

In addition, the transfer of responsibility for long-term care accommodation to Seniors provides an opportunity for the Ministry to monitor and improve the quality of these accommodation services for seniors.

PLANNING FOR TOMORROW'S SENIORS POPULATION

Although the Ministry's programs are targeted to the current population of seniors, Seniors is challenged to look beyond today's seniors and consider how Alberta might prepare its programs, services and infrastructure for tomorrow's seniors, especially those Albertans who make up the "baby boom" generation. These are people who are currently in their 40s and 50s and who may be different in important ways from current seniors, for example, in terms of education, income, expectations, and health status.

As Alberta adapts to this social and demographic shift, Seniors has a unique opportunity to contribute to debates and initiatives related to Alberta's aging population, and to influence the policies and programs that will respond to new needs and new expectations around issues such as healthy aging, financial planning, age of retirement, lifelong learning, and access to health care.

HOUSING ALBERTANS IN NEED

Seniors' challenges in the area of housing are to facilitate planning and direct resources to identified populations who are unable to find suitable housing within their means. People working for low wages in high-growth urban centres and lower-income people in northern and remote areas have particular difficulty finding housing. In addition, there is a need for supportive housing for lower-income seniors, and housing coordinated with support services for persons with disabilities, especially severe and persistent mental illnesses. Finally, with the transfer of responsibility for emergency shelters to Seniors, there is a need to help homeless individuals access services that are intended to enhance their potential for independent living and housing stability.

Over the past three years, Seniors has forged a number of collaborative relationships with other ministries, other levels of government, community organizations, and the private sector. These include, for example, partnerships under the Alberta-Canada Affordable Housing Program and the Provincial Homelessness Initiative, which have generated capital for more than 1,300 affordable housing units, and approximately 2,000 emergency, transitional and long-term supportive housing units.

Partnerships such as these provide rich opportunities for the Ministry to continue the process of developing capital incentives for new housing units, as well as transfer and redevelopment of existing housing units by community organizations.

OFFICE OF THE PUBLIC GUARDIAN - A NEW AREA OF RESPONSIBILITY

During 2003-04, the Office of the Public Guardian was transferred to Seniors. This new area of responsibility brings with it challenges that include an increasing caseload, the need to balance the best interests of clients with service pressures, and the need for improved public education concerning the scope and meaning of guardianship. The Ministry looks forward to developing a new vision and new strategic directions for the Office of the Public Guardian to meet these challenges.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. **Contributing to sustainable and high quality continuing care.**

   Linkage: Goal 3

   As a partner with Health and Wellness, and Finance on the Cross-Ministry Health Sustainability Initiative, the Ministry will continue to play an active part in increasing incentives to shift continuing care services from facility-based to community-based settings. Seniors will clarify roles and responsibilities for payment and delivery of long-term care accommodation, and develop accountability mechanisms to monitor quality.

2. **Preparing for an aging population.**

   Linkage: Goals 1, 2, and 3

   Seniors will partner with other ministries, other levels of government, and community organizations to facilitate or contribute to initiatives that encourage and enable Alberta's citizens and institutions to prepare for an aging population in areas such as financial and retirement planning; healthy aging and active living; and safety and security.

3. **Clarifying roles and responsibilities for housing.**

   Linkage: Goals 4 and 5

   Seniors will work with other ministries, other levels of government, community organizations, and the private sector to define the roles and responsibilities for housing and support services to lower-income persons. Knowing "who does what" will help in allocating and completing the tasks required to improve and coordinate existing housing and services, and generate capital for new housing and services.

4. **Achieving sustainable housing services.**

   Linkage: Goals 4 and 5

   To optimize its housing operations, the Ministry will focus on:

   - Directing capital funding to community organizations for the development of local responses to housing pressures in their communities to reduce reliance on provincial funding;
   - Continuing the process of transferring ownership of housing assets to community organizations;
   - Ensuring shelter assistance is appropriately targeted.

5. **Developing strategic directions for the Office of the Public Guardian.**

   Linkage: Goal 6

   The Ministry will conduct a review of the policies, practices, mandate, and long-range strategic directions of the Office of the Public Guardian, and its relationship with other ministries and organizations, to maintain clear, consistent, and coordinated policies and appropriate services.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Provide services, programs, and planning for seniors and the aging population.

GOAL ONE

Seniors in need have access to financial supports that enable them to live in a secure and dignified way.

What it means

Seniors delivers income assistance programs for seniors. Alberta Seniors Benefit is an income-based program that provides lower-income seniors with monthly financial benefits, and calculates Alberta Health Care Insurance Premium exemptions. Special Needs Assistance for Seniors program provides a lump-sum payment for one-time, extraordinary expenses. For seniors who access the Special Needs Assistance for Seniors program, speedy assessment of applications is especially important.

Income is one of the major determinants of health and well-being. The supports provided by these programs help seniors to live with dignity by enabling them to make their own financial decisions, secure their basic living needs, and continue as participating and contributing members of the community.

Strategies

- Continue to identify potential improvements to income-based seniors' benefits that are responsive to changing needs, and that result in improved fairness and simplified eligibility and administration.
- Examine approaches to providing supports for seniors that respond efficiently, effectively, and flexibly to individual needs.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1. Percentage of seniors provided with the opportunity to apply for Alberta Seniors Benefit.	New	To be determined		
2. Assessment time for Special Needs Assistance for Seniors program applications.	New	To be determined		

GOAL TWO

Information provided by the Ministry on programs, services, and initiatives for older Albertans is accessible, accurate and consistent.

What it means

Seniors provides information for and about seniors and the aging population. Information is provided through telephone access, publications such as *Seniors Programs and Services Information Guide*, the Ministry website, seniors information services offices, correspondence, and through the Ministry's participation in cross-ministry and community-based planning and program development activities.

Quality information about programs and services enables seniors, their family members, and service providers to learn about supports for which seniors may be eligible, and assists them in making wise choices concerning housing, living situations, and service needs. For government, community organizations and service providers, accessible, accurate and consistent information on programs and services; policies and initiatives; and on demographic, social and economic trends impacting seniors and the aging population supports the development of appropriate and responsive policies and programs.

Strategies

- Review Ministry-wide processes for delivering information to seniors, their families and service providers to enhance efficiency and consistency.
- Identify new opportunities and partnerships for educating communities, governments, service providers, and individuals on issues relating to seniors and the aging population, such as active living, fraud prevention, lifelong learning, seniors' contributions, retirement planning, and healthy aging.

Performance Measures	**Last Actual (2002-03)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
Satisfaction with information services provided by:				
• Telephone access	90.7%	90%	90%	90%
• *Seniors Programs and Services Information Guide**	90.7%	90%	90%	90%
• Seniors Information Services Offices	94.4%	90%	90%	90%

* previously titled *Programs and Services for Seniors.*

GOAL THREE

Government policies, programs, and plans effectively anticipate and respond to the needs of current and future seniors.

What it means The Ministry engages in research, monitoring and analysis activities on social, economic and political trends, issues, policies, and programs within Alberta, across Canada, and globally.

The Ministry collaborates at different levels to draw attention to demographic trends, and helps to ensure that any potential impact on current or future seniors of proposed program or policy activities is fully understood and considered. A knowledge-based, collaborative approach to working with partners helps in the development of sustainable policies and programs that are sensitive and responsive to demographic factors.

Strategies

- Partner with other ministries and other levels of government to facilitate the development of projects in the areas of healthy aging, safety and security, family violence, transportation, financial planning, work and the workplace, rural development, and family caregiving.
- Improve analysis of data on seniors' incomes to provide a basis for forecasting future income support needs of seniors.
- Identify and implement the legislative amendments required for Seniors to assume full responsibility for long-term care accommodation.
- Partner with other ministries, regional health authorities and facility operators to develop mechanisms for monitoring and improving the quality of long-term care accommodation.
- Facilitate the shift from facility-based to community-based services by supporting the development of affordable seniors' supportive housing, appropriate income supports, and access to community services for lower-income seniors.

Performance Measure	**Last Actual (2002-03)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
Satisfaction of departments and agencies with the ministry's collaborative activities, and contribution to joint initiatives.	Revised Measure*	90%	90%	90%

* Measure reported in 2002-03 Annual Report was "Satisfaction of departments and agencies with the ministry's leadership and collaboration, and with the information, advice and analysis received".

Core Business Two: Support the provision and ongoing management of basic housing and emergency shelter for lower-income Albertans.

GOAL FOUR

Provincially owned and supported housing is efficiently and effectively managed and appropriately utilized.

What it means

Seniors is charged with the stewardship of a housing portfolio that enables access to emergency shelter, and to subsidized housing for Albertans whose income does not allow them to pay full market rent for their accommodation. Subsidized housing in Alberta includes housing for low-income families and individuals, housing for persons with special needs, apartments for lower-income seniors, and seniors' supportive housing facilities that provide additional services such as meals and laundry.

Seniors partners with the federal government, through the Canada Mortgage and Housing Corporation, to support the costs of maintaining many of the units in this portfolio, and is accountable to Albertans to ensure that its portfolio is managed appropriately. In some cases this may mean ensuring that housing is effectively and efficiently managed and utilized through contracts with community organizations. In other cases, it entails preparing community organizations, such as municipalities and non-profit housing organizations, to assume responsibility of housing delivery through transfer of ownership.

Strategies

- Ensure effective governance structures are in place for the community-based provision of seniors', family and special purpose housing in urban, rural and remote communities.
- Create effective linkages with community organizations for the purpose of transferring ownership/management of provincial housing.
- Develop a flexible approach to managing the Ministry's housing portfolio that takes into account changing resident needs, within financial resources available.
- Monitor operations and business practices of housing operators to ensure efficiency and effectiveness.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
* Quality of accommodation provided by housing operators, and where appropriate, services provided, as indicated by satisfaction of residents of:				
• Seniors' lodges	90.8%	93.0%	93.0%	93.0%
• Self-contained housing	92.0%	93.0%	93.0%	93.0%
• Family housing	77.5%	80.0%	80.0%	80.0%

* Actual measure as reported in 2002-03 Annual Report was for "satisfaction of housing clients with quality of accommodation and, where appropriate, services provided".

GOAL FIVE

Development of a range of housing for lower-income Albertans is supported by the Ministry.

What it means Many lower-income Albertans cannot afford to pay market rents for accommodation in the private sector, or are unable to find specialized housing and support services to address special needs that they may have, such as mental or physical disabilities. There is also a need to provide suitable accommodation and supports to assist homeless Albertans to achieve stability and independence in their living environments.

To address these issues, Seniors works in partnership with housing organizations, other ministries and federal and municipal governments to identify local housing needs and generate capital to increase the supply of and access to affordable and low-cost housing options for lower-income families and individuals, persons with special needs, and seniors.

Strategies

- Encourage and support the development of community housing plans in high-growth, high-need areas that are based on local needs and established priorities, and direct resources accordingly.
- Create effective linkages with stakeholders, housing operators, other ministries, and other levels of government to facilitate development and delivery of affordable, appropriate housing.
- Review emergency shelter funding to determine if it is properly targeted and shelters are appropriately resourced.
- Facilitate access to coordinated housing and support services for persons with special needs to enable them to live in appropriate and stable community-based accommodation.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Number of the seven major high-need, high-growth communities within the province that have plans for responding to the housing needs of their citizens.	New		To be determined	

Core Business Three: Provide programs, services, and supports to enable appropriate substitute decision-making.

GOAL SIX

Albertans' best interests and well-being are served through appropriate and timely substitute decision-making.

What it means Adult Albertans who are unable to make their own personal decisions may be provided with a court-ordered guardian as substitute decision-maker under the terms of the *Dependent Adults Act.* Where possible, private guardianship by family members or other private individuals is encouraged, as this is seen in most cases to be in clients' best interests. Where no appropriate private party is available, the Public Guardian may be appointed. The Public Guardian may also be appointed as decision-maker of last resort under the *Mental Health Act.* As guardian, the Office of the Public Guardian provides personal decision-making services to approximately 1,900 dependent adults in Alberta.

Seniors, through the Office of the Public Guardian, also encourages adult Albertans to make personal directives, which may name an agent as substitute decision-maker in the event the person becomes unable to make personal decisions.

The Office of the Public Guardian provides information and referral to individuals, service providers, agencies, and other ministries on guardianship and personal directives. Information is provided directly and through services contracted with community agencies through the Community Involvement Program.

Strategies

- Review Community Involvement Program services to ensure contracts provide for efficient, appropriate and effective services.
- Examine methods of information provision to enhance the quality and consistency of information provided to Albertans on legislation relating to substitute decision-making.
- Begin consolidating issues around the *Dependent Adults Act* and *Personal Directives Act* in preparation for full legislative reviews in 2007 and 2008.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1. Satisfaction with supports and services provided by the Office of the Public Guardian:				
• Service providers	89%	90%	n/a*	90%
• Private Guardians	88%	90%	n/a*	90%
2. Percentage of dependent adults with private guardians	79%	80% or higher	80% or higher	80% or higher

* n/a - not applicable measured every two years.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Provide Services, Programs, and Planning for Seniors and the Aging Population	190,400	194,898	228,448	244,989	247,794	250,671
Support for the Provision and Ongoing Management of Basic Housing and Emergency Shelter for Lower-Income Albertans	191,100	197,589	211,909	220,203	203,860	178,407
Provide Programs, Services, and Supports to Enable Appropriate Substitute Decision Making	4,808	4,974	4,974	5,056	5,058	5,061
MINISTRY EXPENSE	386,308	397,461	445,331	470,248	456,712	434,139

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Transfers from Government of Canada	73,502	85,379	85,379	89,738	75,803	62,904
Investment Income	1,501	849	849	900	900	900
Premiums, Fees and Licences	129	105	105	105	105	105
Other Revenue	17,771	4,852	4,852	285	135	135
MINISTRY REVENUE	92,903	91,185	91,185	91,028	76,943	64,044
EXPENSE						
Program						
Provide Services, Programs, and Planning for for Seniors and the Aging Population	187,991	192,224	225,774	242,129	244,829	247,529
Support for the Provision and Ongoing Management of Basic Housing and Emergency Shelter for Lower-Income Albertans	144,165	152,437	166,757	176,903	162,963	140,263
Provide Programs, Services, and Support to Enable Appropriate Substitute Decision Making	4,721	4,892	4,892	4,984	4,984	4,984
Ministry Support Services	4,141	4,614	4,614	4,768	4,768	4,768
Valuation Adjustments and Other Provisions	173	185	185	185	185	185
Program Expense	341,191	354,352	402,222	428,969	417,729	397,729
Debt Servicing Costs						
Alberta Social Housing Corporation	45,117	43,109	43,109	41,279	38,983	36,410
MINISTRY EXPENSE	386,308	397,461	445,331	470,248	456,712	434,139
Gain (Loss) on Disposal of Capital Assets	7,457	10,749	10,114	12,409	11,037	11,037
NET OPERATING RESULT	(285,948)	(295,527)	(344,032)	(366,811)	(368,732)	(359,058)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	92,903	91,185	91,185	91,028	76,943	64,044
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Revenue	92,903	91,185	91,185	91,028	76,943	64,044
Ministry Program Expense	341,191	354,352	402,222	428,969	417,729	397,729
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**341,191**	**354,352**	**402,222**	**428,969**	**417,729**	**397,729**
Ministry Debt Servicing Costs	45,117	43,109	43,109	41,279	38,983	36,410
Consolidated Expense	386,308	397,461	445,331	470,248	456,712	434,139
Gain (Loss) on Disposal of Capital Assets	7,457	10,749	10,114	12,409	11,037	11,037
Inter-ministry consolidation adjustments	(129)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(286,077)	(295,527)	(344,032)	(366,811)	(368,732)	(359,058)

Solicitor General

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Heather Forsyth, *Solicitor General*
March 4, 2004

THE MINISTRY

The Ministry of Solicitor General includes the Department of Solicitor General, the Victims of Crime Fund, the Law Enforcement Review Board, and the Criminal Injuries Review Board.

The Department of Solicitor General is comprised of six divisions/areas and includes Aboriginal Justice Initiatives Unit, Communications, Correctional Services, Human Resource Services, Public Security, and Strategic Services. Strategic Services, Aboriginal Justice Initiatives Unit and Human Resource Services also provide strategic support to the Ministry of Justice.

LINK TO THE GOVERNMENT BUSINESS PLAN

The Ministries of Solicitor General and Justice work together to administer Alberta's justice system and work with partners in policing, local government, Aboriginal and community organizations to ensure that Alberta's communities are safe places to work, live and raise families.

We share a common vision of a province where Albertans feel safe in their homes and in their communities. The Ministry works to achieve this vision through joint initiatives with community partners and through its participation in cross-ministry policy initiatives.

Effective policing, crime prevention, corrections programs and security services all contribute to safe communities. When a crime is committed, the Ministry ensures that victims are treated with dignity and respect and receive the help they need.

While the Ministry's core businesses and goals are aligned with and support a number of government goals and priorities, the Ministry plays a key role in Goal 9 of the Government of Alberta Business Plan - *Alberta will be a fair and safe place to work, live and raise families.*

VISION

Ensure Albertans have safe and secure communities in which to live, work and raise their families.

MISSION

Our mission is to serve Albertans by ensuring safe and secure communities through effective policing, security and correctional services, and when crime is committed to assist victims of crime.

CORE BUSINESSES

Core Business 1: Policing and Crime Prevention

Goal 1 - Ensure safe communities in Alberta.

Core Business 2: Victims Programs and Services

Goal 2 - Provide services to victims and ensure that they have a more meaningful role in the criminal justice system.

Core Business 3: Custody, Supervision and Rehabilitative Opportunities for Offenders

Goal 3 - Facilitate the rehabilitation of offenders.

Goal 4 - Ensure secure and efficient custody, community supervision and transportation of offenders.

Core Business 4: Security Services

Goal 5 - Ensure the safety of Albertans by providing government security services and crisis management planning.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The recognition of trends, identification of new challenges, and awareness of changes in other socio-economic sectors must be considered in setting the strategic direction for the 2004-07 Solicitor General Business Plan.

DEMOGRAPHICS

Alberta is the nation's youngest and fastest growing province with over half of the population under 35 years old. As young people tend to be over-represented as both offenders and as victims of crime, a proactive approach must be adopted to sustain service delivery and ensure that resources are available to address growing demand.

In 2001, 80.9% of Alberta's population resided in urban areas. An increasing number of people moving to Alberta's cities create unique policing issues relating to resources, funding and types of crime.

CRIME AND SECURITY

Although Alberta's crime rate increased by 2.5% in 2002, the province's overall crime rate remained the lowest in Western Canada. Special challenges are presented by the use of the Internet for criminal purposes: child exploitation, including child pornography and Internet luring; and the use and production of drugs. With 24 known organized criminal networks in Alberta, organized crime requires particular attention.

Effective community-based crime prevention strategies, along with effective policing strategies, are the keys to dealing with the crime challenges facing Alberta. Provincial support will greatly enhance the ability of crime prevention and restorative justice initiatives to provide for a safe Alberta. These need to be supplemented by province-wide initiatives integrated with federal and international strategies.

Western democracies, which were once perceived as safe, are now possible targets of terrorist activity. Alberta must continue to ensure it has an effective provincial emergency crisis management plan to prepare for and mitigate the threat of terrorism. Government security services provided by Solicitor General must anticipate potential security threats, yet have minimal impact on the public. In addition, cross-border security has become an important focus of federal, state and provincial governments in relation to national security.

VICTIMS

The Ministry continues to strive to ensure victims have a more meaningful role in the criminal justice system. With 25% of Albertans indicating they had been victims at least once in the past year, the development of strategic direction for victims' programs and services is crucial for victims having access to services and having a meaningful role in the justice system.

ABORIGINAL ALBERTANS

Alberta's young and rapidly growing Aboriginal population represents approximately one-third of admissions to custody in Alberta and is significantly over-represented at all stages in the criminal justice system as both victims and offenders.

An increasing Aboriginal youth population coupled with higher levels of migration to major cities and less favorable socio-economic conditions compared to other Albertans may lead to greater involvement in organized crime and street gangs.

CUSTODY ISSUES

Changes in legislation and sentencing practices require that Solicitor General respond to new pressures, prioritizing available correctional resources and planning for future needs. Alberta continues to experience increasing numbers of adults detained in custody awaiting the outcome of criminal charges (remand).

COMMUNITY ISSUES

The Ministry is in the process of responding to the completed MLA Review of Corrections, Victims of Crime Consultation, and Policing Review. Results of the MLA Reviews will be used to further enhance the safety and security of Albertans.

Impaired driving continues to be a serious concern in Alberta. Impaired drivers are involved in a significant percentage of all fatal collisions in Alberta each year, resulting in high societal costs.

Family violence continues to be a serious problem that crosses all socio-economic boundaries. Together with other ministries, the Solicitor General has a role to play in the prevention and response to family violence and these roles need to be more coordinated to effectively address this problem.

The limitations of individuals suffering from Fetal Alcohol Spectrum Disorder and/or mental illness may increase their vulnerability to become involved with the criminal justice system. Many issues surrounding the need to manage these individuals differently have been identified, including diversion from the criminal justice system.

E-JUSTICE AND INFORMATION TECHNOLOGY

The rate of technological change continues to be rapid. A challenge is to determine how new technologies can be used for cost-effective and efficient operations in the justice system. Solicitor General will continue to monitor opportunities where technological developments can enhance and improve operations and service delivery for Albertans.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. Action on MLA Reviews **Linkage: Goals 1, 2, 3 and 4**	Over the past year, three MLA Review Reports have been developed within the areas of Policing, Victims, and Corrections. Results of the reviews will be used to ensure that future program and service development are consistent with identified needs.
2. Crime Prevention **Linkage: Goals 1, 2, 3, 4 and 5**	As part of ensuring safer communities in Alberta and providing communities with a more meaningful role in the criminal justice system, the Solicitor General will be facilitating the development of crime prevention programs and restorative justice processes.
3. Organized Crime and Terrorism **Linkage: Goals 1 and 5**	Solicitor General will work collaboratively with police services, intelligence, and enforcement agencies to address increasingly sophisticated organized crime operations and the threat of terrorism, and their negative social and financial consequences for Albertans.
4. Offender Management **Linkage: Goals 3 and 4**	Ensuring effective and efficient security and supervision of offenders enhances public safety. Changes in legislation and sentencing practices require that Solicitor General respond to new pressures, prioritizing available correctional resources and planning for future needs.

5. Children and Youth Initiatives

Linkage:
Goals 1, 2, 3 and 4

Youth are our future and we are working to protect them from becoming victims of crime, holding them appropriately accountable when they commit a crime, encouraging and facilitating rehabilitation, as well as preventing future offending.

6. Aboriginal Justice Initiatives

Linkage:
Goals 1, 3 and 4

Aboriginal people are significantly over-represented in the criminal justice system. The Solicitor General is exploring innovative options for diversion, crime prevention, and enhancing the effectiveness of policing on First Nations communities to address this situation.

7. Utilization of Emerging Technology

Linkage:
Goals 1, 2, 3, 4 and 5

The Ministry will assess the use of emerging technologies in the enhancement of existing automated systems and the development of new applications, including video conferencing for court appearances of accused persons and witnesses, and voice, data and radio communications.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Policing and Crime Prevention

Ensuring safe communities in Alberta by ensuring adequate and effective policing and developing and promoting crime prevention programs.

GOAL ONE

Ensure safe communities in Alberta

What it means

The Ministry oversees policing throughout the province, contracts with Canada for the RCMP to provide a provincial police service, and works with police and other agencies to develop, support or operate programs that target specific crime related issues such as the Criminal Intelligence Service Alberta, the Serious and Habitual Offenders program and Amber Alert. The Ministry works with communities and the federal government to promote locally effective crime prevention programs, including those in Aboriginal communities. As well, the Ministry works collaboratively with communities throughout Alberta in administering community justice committees, ensuring that communities themselves have an integral role in administering the justice system and addressing crime. Collectively these activities help to ensure safe communities.

Strategies

1.1 Implement a Policing Strategy incorporating the approved recommendations of the MLA Policing Review Committee Report that:

- Enhances provincial leadership in policing;
- Provides sustainable funding for policing;
- Restructures responsbility for policing, and
- Promotes citizen oversight of policing in Alberta.

1.2 Support the implementation of an Integrated Response to Organized Crime and gangs, working with law enforcement agencies and other government ministries.

1.3 Implement a strategy to enhance the effectiveness and efficiency of First Nations Policing in cooperation with First Nations communities and the federal government.

1.4 Prepare a strategy with law enforcement agencies and other government ministries to address the exploitation of children via the Internet.

1.5 Work in partnership with crime prevention associations and Aboriginal communities to assist in the delivery of crime prevention programs and initiatives across Alberta.

1.6 Reinstate crime prevention and restorative justice program funding to support the Provincial Crime Prevention Strategy and the Community Justice Policy.

1.7 Further the development of the Youth Justice Committee program, involving interested communities in the administration of justice programs and encouraging local involvement in attempts to address crime, through the provision of financial grants and with the support and assistance of community probation offices.

1.8 Work in partnership with Children's Services to develop an integrated province-wide response to family violence.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Public Perception of Safety in the Home The percentage of Albertans who feel "not at all worried" about their safety from crime when alone in their own homes. **Source**: Annual Public Opinion Survey	73%	75%	75%	75%
Public Perception of Safety in the Neighbourhood The percentage of Albertans who feel "reasonably safe" to "very safe" walking alone in their area after dark. **Source**: Annual Public Opinion Survey	77%	82%	82%	82%
Victimization Rate The percentage of Albertans who have reported being a victim of crime in the past year. **Source**: Annual Public Opinion Survey	25%	25%	24%	23%
Crime Rate: Violent Crime and Property Crime The rate (per 100,000 pop.) of violent crime and rate of property crime as reported by police. **Source**: Canadian Crime Statistics, Canadian Centre for Justice Statistics	Violent Crime 1,077 (lowest) Property Crime 4,663 (lowest)	Lowest rates of the four western provinces	Lowest rates of the four western provinces	Lowest rates of the four western provinces

Core Business Two: Victims Programs and Services

Ensuring victims are treated with dignity and respect and that they receive information about programs and services, assistance during the criminal justice process, and that eligible victims promptly receive financial benefits.

GOAL TWO

2 Provide services to victims and ensure that they have a more meaningful role in the criminal justice system

What it means The Ministry ensures that eligible victims of crime receive prompt financial benefits and assists community groups and organizations to establish programs and initiatives that meet the needs of victims of crime. The Financial Benefits Program assists direct victims of violent crime by providing one-time payments to victims that are based on the injuries they received. The Victims Grant Program provides grants to eligible groups and organizations that provide programs and projects that benefit victims of crime.

Strategies

2.1 Implement the approved recommendations of the MLA "Report of the Victims of Crime Consultation" subject to availability of funds. This will provide a ten-year vision for the development of programs and services for victims of crime and provide a framework for the achievement of that vision.

2.2 Implement the revised Victim Impact Statement guidelines.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Satisfaction with Services Provided to Applicants for Victim Financial Benefits Satisfaction rate (based on a five-point rating scale where 5 is equal to "very helpful") with services provided to applicants for victim financial benefits. **Source**: Client Satisfaction Survey, Public Security Division	4.04	4.00	4.00	4.00
Access to Victim Service Units Percentage of Alberta police services or RCMP detachments that have, or have access to, a victim service unit. **Source**: Administrative data, Public Security Division	94%	95%	96%	96%

Core Business Three: Custody, Supervision and Rehabilitative Opportunities for Offenders

Ensuring effective and efficient security and supervision of offenders that enhances public safety while offering offenders opportunities to become law-abiding citizens.

GOAL THREE

Facilitate the rehabilitation of offenders

What it means The Ministry enforces court ordered custody and/or supervision orders while providing offenders with opportunities to address behaviours and issues that contribute to their offending. In this regard, the Ministry provides education programs, assistance with substance abuse issues, skills training, mental health services, spiritual support and opportunities for constructive work activity. For offenders under supervision in the community the Ministry delivers, or ensures that offenders are referred to, programs and services appropriate to their rehabilitative needs. While the onus for change rests with the individual, it is believed that the change process can be facilitated through providing offenders with assistance and opportunities that promote positive and productive behaviours.

Strategies

3.1 Implement the approved recommendations of the MLA Review of Corrections.

3.2 Assist the development of Mental Health Diversion programs in Alberta in collaboration with the Alberta Mental Health Board, other ministries, and stakeholders.

3.3 Support the Alberta Children and Youth Initiative by ensuring provincial supports for youth in transition to adulthood are comprehensive, integrated and effective in meeting the needs of youth.

3.4 Support the operation, and where possible, further development of domestic violence treatment programs in Alberta together with the Alberta Mental Health Board, other ministries and stakeholders.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Outcome of Correctional Sanctions: Successful Completion of Young Offender Probation Dispositions The percentage of supervision cases that were successfully completed.	60%	62%	62%	62%
Outcome of Correctional Sanctions: Successful Completion of Adult Probation Sentences The percentage of supervision cases that were successfully completed.	66%	65%	65%	65%
Percent of Offenders Involved in Work, Education, Treatment or Life Management Programs The percentage of incarcerated offenders involved in provincial work, education and life management programs.	84%	80%	80%	80%
Number of Hours of Community Service The number of hours of community service performed by offenders in custody who are housed in centres, camps and group homes, and by offenders serving their sentences in the community.	827,899	825,000	825,000	825,000

Source: Administrative data, Correctional Services Division (for all Goal 3 measures)

GOAL FOUR

Ensure secure and efficient custody, community supervision and transportation of offenders

What it means By making available properly trained staff, appropriate custody and community facilities and by providing offenders access to rehabilitation programs, the Ministry fulfils its legal and public safety mandate, ensuring that offenders are appropriately supervised in the community, securely held in custody environments, provided access to rehabilitative programs and safely transported when necessary.

Strategies

4.1 Ensure that the Ministry's correctional programs meet the needs of community and staff safety, offender rehabilitation and cost effectiveness by implementing the approved recommendations of the MLA Review of Corrections.

4.2 Upon completion of a successful pilot project, and together with Justice and other supporting ministries, support development of an implementation strategy for province wide video conferencing in all major adult correctional and young offender centres, as an alternative to in-person court appearances for accused persons and witnesses.

Performance Measures	Last Actual (year)	Target 2004-05	Target 2005-06	Target 2006-07
Successful Completion of Temporary Absence Supervision The percentage of offenders on temporary absence who do not incur a new criminal charge while under supervision. **Source**: Administrative data, Correctional Services Division	99.6% (2002-03)	No lower than 99%	No lower than 99%	No lower than 99%
Per Diem Cost for Housing Adult Offenders in a Correctional Facility* The average cost per day to house one adult inmate in a correctional facility. **Source**: Administrative data, Correctional Services Division	$94.33 - the lowest cost per diem per offender in Canada (2001-02)	To be one of the top four jurisdictions to have the lowest cost per diem per offender in Canada	To be one of the top four jurisdictions to have the lowest cost per diem per offender in Canada	To be one of the top four jurisdictions to have the lowest cost per diem per offender in Canada
Number of Escape Incidents from Secure Custody or during Transport The number of escape incidents from secure custody (within a correctional facility) or under escort. **Source**: Administrative data, Correctional Services Division	0 (2002-03)	0	0	0

Core Business Four: Security Services

Ensuring safe communities in Alberta by providing security services to government officials, personnel, the judiciary and members of the public attending government functions and facilities. Maintaining the capability to anticipate and respond to changes in threat levels.

GOAL FIVE

Ensure the safety of Albertans by providing government security services and crisis management planning

What it means The Ministry is responsible for security of government officials, property and operations. It is also responsible for counter terrorism intelligence and crisis management planning in coordination with federal, provincial, municipal and industry partners and stakeholders.

Strategies

5.1 Enhance security information communication channels and security risk awareness in the province.

5.2 Develop and implement counter-terrorism strategies in cooperation with Alberta law enforcement and intelligence operations, private and public sector organizations, and their national and international counterparts.

5.3 Working with our partners in Infrastructure, Justice, and the judiciary, prepare a court security proposal for government approval.

Performance Measures	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Stakeholder Satisfaction with Services of the Security and Information Management Unit	New	To be determined		

Source: Client Satisfaction Survey, Public Security Division

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Policing and Crime Prevention	108,325	117,103	120,638	179,020	180,435	182,438
Victims Programs and Services	9,966	10,271	12,005	11,990	11,989	11,986
Custody, Supervision and Rehabilitative Opportunities for Offenders	134,564	135,394	135,338	138,908	139,405	139,378
Security Services	13,093	15,654	15,641	16,394	15,983	15,978
MINISTRY EXPENSE	265,948	278,422	283,622	346,312	347,812	349,780

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Transfers from Government of Canada	22,751	23,517	23,517	22,118	21,487	21,487
Investment Income	182	300	200	200	200	200
Premiums, Fees and Licences	367	325	325	350	375	375
Other Revenue	14,484	16,109	17,927	17,945	17,945	17,945
MINISTRY REVENUE	37,784	40,251	41,969	40,613	40,007	40,007
EXPENSE						
Program						
Ministry Support Services	5,487	5,870	5,870	6,077	6,077	6,045
Public Security	118,509	129,830	133,330	191,835	192,835	194,835
Correctional Services	131,340	132,410	132,410	136,363	136,863	136,863
Victims of Crime Fund	9,727	10,045	11,745	11,770	11,770	11,770
Valuation Adjustments and Other Provisions	885	267	267	267	267	267
MINISTRY EXPENSE	265,948	278,422	283,622	346,312	347,812	349,780
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(228,164)	(238,171)	(241,653)	(305,699)	(307,805)	(309,773)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	37,784	40,251	41,969	40,613	40,007	40,007
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Revenue	37,784	40,251	41,969	40,613	40,007	40,007
Ministry Program Expense	265,948	278,422	283,622	346,312	347,812	349,780
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**265,948**	**278,422**	**283,622**	**346,312**	**347,812**	**349,780**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(228,164)	(238,171)	(241,653)	(305,699)	(307,805)	(309,773)

Sustainable Resource Development

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

M. Cardinal

Mike Cardinal, *Minister of Sustainable Resource Development*
March 2, 2004

THE MINISTRY

The Ministry of Sustainable Resource Development consists of the Department of Sustainable Resource Development (SRD), the Natural Resources Conservation Board (NRCB), the Surface Rights Board (SRB) and the Land Compensation Board (LCB).

The Ministry ensures that the values and benefits Albertans receive today from public lands and natural resources (forests, rangelands, fish and wildlife) are sustainable for future generations. Working with other Ministries, and within a strategic framework defined by 11 Acts and associated regulations, the Ministry develops and implements policies on land use and resource development that respect a dynamic balance among conservation, development, access and opportunity.

LINK TO THE GOVERNMENT BUSINESS PLAN

Figure 1: The Ministry supports the Goals of the Government Business Plan.

Government Business Plan Goals	Ministry Core Businesses			
	Wildfire Management	Natural Resource and Public Land Management	Natural Resources Conservation Board	Surface Rights and Land Compensation Management
Goal 7 - Alberta will have a prosperous economy.	✓	✓	✓	✓
Goal 9 - Alberta will be a fair and safe place to work, live and raise families.	✓			

VISION

Alberta's public lands and natural resources (forests, rangelands, fish and wildlife) are managed within a policy, administrative and regulatory framework that benefits both present and future Albertans.

MISSION

To ensure the benefits Albertans receive from Alberta's public lands and natural resources (forests, rangelands, fish and wildlife) are achieved in a manner that is sustainable, equitable, responsible and in the public interest.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Alberta's natural resources contribute to the high quality of life, and the high level of education, health and social programs Albertans enjoy. Alberta's dynamic economy and the ability to maintain it over the long-term are the direct result of the sustainable management of the province's natural resources. It requires a balance among environmental, economic and social benefits that Albertans receive from these resources. Key to achieving success in sustainable resource management is viewing natural resources and environment as interrelated parts of a single system. A number of emerging challenges and opportunities are influencing the strategic directions of this Ministry. Specifically:

- Industrial Footprint and Access Management: Resource development will continue to be an important part of the Alberta economy into the foreseeable future. Many sectors (oil and gas, forestry, agriculture, tourism) require access to public land and natural resources to support their economic viability and growth. Current growth trends in these sectors and in Alberta's population put considerable pressures on these public resources and challenges the Ministry's ability to manage for the multiple values Albertans expect from them.
- Sustainable Resource Management: Export-reliant economies that depend on natural resource industries need regulatory regimes that support sustainable resource management, in order to ensure reliable market access. A significant trend from the marketplace has been the requirement for resource industries to demonstrate the sustainability of their business practices. Within the forest sector, this trend has translated into requirements for certification that demonstrates sustainable forest management practices and challenges the Ministry to ensure that its policy, legislative and regulatory framework support and facilitate progress towards sustainable resource management.
- Climate Variability: The Ministry faces challenges arising from natural phenomena, such as climate variability. Recent years have seen significantly milder winters and lower precipitation, resulting in drought, extreme fire seasons, and pest outbreaks - such as spruce budworm, mountain pine beetle and grasshoppers. These natural challenges highlight the need for the Ministry to have regulatory practices that are responsive and adaptive to changing environmental conditions.

Arising from these challenges are significant opportunities to improve Alberta's sustainable resource management system, such as:

- access management approaches that minimize the industrial footprint on the landscape;
- strategic management approaches that demonstrate the effectiveness of Alberta's regulatory regime to achieve landscape and ecosystem sustainability and biodiversity;
- regulatory approaches that incorporate other values and users of the landscape; and
- forest management practices that incorporate natural disturbance characteristics and improve forest fuel management where practical and within the approved annual allowable cut.

STRATEGIC PRIORITIES 2004-07

In response to the significant opportunities and challenges, the Ministry will be pursuing several strategic priorities over the course of the business-planning period. These are in addition to the important ongoing core activities of the ministry.

1. Regulatory

Linkage: Goals 2, 5, 6 and 7	• Improve the efficiency of Alberta's energy, environmental and resource management regulatory systems while enabling economic growth and ensuring environmental quality, in cooperation with the Ministries of Environment and Energy.
Linkage: Goal 2	• Improve Alberta's forest policy, legislative and regulatory framework to address sustainable forest management issues while enabling an Alberta resolution of softwood lumber trade issues, in partnership with International and Intergovernmental Relations.
Linkage: Goals 2, 3, 4, 5 and 6	• Improve resource management decision-making by increasing cultural awareness of resource managers and ensuring resource development on Alberta's crown land incorporates effective consultation practices, in cooperation with industry and other relevant Ministries, as represented by the cross-ministry *Aboriginal Policy Initiative*.
Linkage: Goals 2, 3, 4, 5, 6 and 8	• Explore opportunities to support a sustainable, broadly-based economy and regional development, through resource management decision-making in collaboration with other relevant ministries, as represented by the cross-ministry *Economic Development Strategy* .

2. Biodiversity Management

Linkage: Goal 3	• Maintain Alberta's natural advantage through the development of an Alberta approach to biodiversity.
Linkage: Goals 2, 3, 4 and 5	• Improve the Ministry's ability to maintain and protect the province's aquatic ecosystems by delivering the Ministry's commitment to the *Water for Life: Alberta's Strategy for Sustainability*, within budgetary constraints.
Linkage: Goals 5 and 6	• Develop and implement policies, guidelines and practices that work towards minimizing the industrial, commercial and recreational footprint on Crown land.

3. Wildfire Management

Linkage: Goal 1	• Reduce the risk and potential damage caused by wildfires within the Forest Protection Area by actively incorporating *FireSmart* practices and principles within communities, in cooperation with community stakeholders.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

The Ministry delivers its mandate through four core businesses:

1. Wildfire Management;
2. Natural Resource and Public Land Management;
3. Natural Resources Conservation Board; and
4. Surface Rights and Land Compensation Management.

The first two core businesses are delivered by the Department of Sustainable Resource Development. The latter two core businesses are the purview of the three boards, and are guided by specific legislation that provide the boards with their mandates.

The Ministry manages its core businesses through a performance management framework that demonstrates the relationship among desired impacts, inputs, core businesses, outputs and outcomes. Figure 2 summarizes this framework and reflects the current status of its development. Ministry staff will continue to work with all core businesses to evolve the performance framework as the Ministry explores and develops appropriate performance measures.

Figure 2: Ministry of Sustainable Resource Development Performance Management Framework ***- linking what we do to why we do it.***

Inputs →	Core Business →	Outputs →	Outcomes →	Impacts
Knowledge Financial Resources Natural Resources	1. Wildfire Management	• Losses from wildfire within the Forest Protection Area are minimized through: – prevention; – rapid detection; – early response; and – containment and suppression.	Alberta's forests and forest communities are protected from wildfire. Human-caused fire starts do not increase, despite population growth, urban encroachment and escalating fire start potential in the Forest Protection Area.	The sustained contribution of benefits to Albertans from Alberta's public land and natural resources.
	2. Natural Resource and Public Land Management	• Alberta's forests are managed and used in a sustainable manner. • Alberta's public forests and forest lands are allocated through appropriate assessment of the resources. • Albertans receive an economic return from Alberta's forests consistent with the valuation of the resources.	Alberta has an integrated, first class natural resource management and decision support system that: – enables multiple natural resource industries (e.g., forestry, oil and gas, recreation, agriculture, etc.) to co-exist and prosper on a single landscape; – supports landscape integrity; and – meets the needs of Albertans for accountability, transparency and consultation.	
		• Alberta's wild species are managed to sustain healthy, viable populations. • Alberta's wild species are managed to provide benefits to Albertans. • Human and wildlife interactions are managed to minimize conflict.		
		• Public rangeland resources are used in a sustainable manner. • Alberta's public rangeland resources are allocated.		
		• *Public Land management outputs - under development*		
		• Dispositions on Alberta's public lands are administered in a timely manner.		
	3. Natural Resources Conservation Board	• *Under Development*	Natural resource development projects and confined feeding operations respect the balance of social, economic and environmental interests of Albertans.	
	4. Surface Rights and Land Compensation Management	• *Under Development*	Fair access to private and crown land for energy and oil and gas industry activities.	

Client and Stakeholder Feedback

CORE BUSINESS 1: Wildfire Management

GOAL ONE

Alberta's forests and forest communities are protected from wildfires.

What it means Wildfire Management protects the multiple values received from forests within the Forest Protection Area of the province by working cooperatively with municipalities, industry, and other stakeholders to prevent and suppress wildfires.

Strategies

- Provide a preparedness framework that enables the Province to respond to the event of wildfire in the Forest Protection Area of the province. Key elements of the framework include: effective policies, readiness/training, prevention, detection and early response.
- Reduce the risk and potential damage caused by wildfires within the Forest Protection Area by actively incorporating *FireSmart* practices and principles within communities, in cooperation with community stakeholders.
- Respond to the event of wildfire through a wildfire management regime that quickly contains and suppresses wildfires within the Forest Protection Area to minimize fire losses.
- Reduce the economic burden of wildfires on communities and their residents by implementing the Municipal Wildfire Assistance Program in partnership with Alberta Municipal Affairs.

Outcome Performance Measures[1]	**Last Actual (2002)**	**Target 2004**	**Target 2005**	**Target 2006**
1. Prevention				
Number of human caused fires within Alberta's Forest Protection Area (FPA)	443	<300	<300	<300
Number of industry-caused fires	84	<60	<60	<60

Output Performance Measures[1]	**Last Actual (2002)**	**Target 2004**	**Target 2005**	**Target 2006**
2. Detection				
Percentage of wildfires detected at 0.1 hectares or less in size:				
By Lookout Towers	94%	85%	85%	85%
By Air	90%	85%	85%	85%
Percentage of detected wildfires reported within 5 minutes or less:				
By Lookout Towers	98%	90%	90%	90%
By Air	100%	90%	90%	90%
3. Response				
Percentage of wildfires actioned before they reach 2. 0 hectares or less in size	94%	90%	90%	90%
4. Containment and Suppression				
Percentage of wildfires contained at 4.0 hectares or less in size	92%	90%	90%	90%
Percentage of wildfires contained within the first burning period	88%	85%	85%	85%

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[1] Performance data for forest protection is based on the April 1 to October 31 period. Performance measures and targets were reviewed by an expert advisory panel, and subject to further changes pending assessment by the Forest Protection Division.

CORE BUSINESS 2: Natural Resource and Public Land Management

GOAL TWO

The values Albertans receive from forests and forest landscapes are sustained and enhanced for future generations.

What it means

Alberta's public forests and forest lands are managed in a manner that supports opportunities to sustain or enhance forest productivity, respects other, non-timber values from forested landscapes, and ensures Albertans receive an economic return from the province's forests.

Strategies

- Provide a clear, balanced approach to forest and forest landscape management through a policy, legislative and regulatory framework that maximizes the benefits Albertans accrue from forests and forest lands.
- Manage infestations of insect, disease and weed pests in Alberta's forests through effective detection and management strategies that recognize shared responsibility with industry, municipal and federal governments.
- Ensure sustainable forest management through adaptive forest management planning and practices by government and industry, coupled with appropriate compliance, assurance, and reporting mechanisms.
- Increase the value of forest products produced from Alberta's forest resource through: unleashing innovation, competing in the global market place, leading in learning and strengthening Alberta's economy.
- Partner with International and Intergovernmental Relations and other jurisdictions to work towards a resolution for the softwood lumber trade dispute.
- Ensure Albertans receive an economic return for use of fibre produced on forested public lands consistent with the valuation of the resources.

Output Performance Measures	Last Actual (unaudited) (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1. Timber Allocation[1]				
Annual allowable cut (in million cubic metres)	24	Harvest does not exceed Annual Allowable Cut		
Harvest (in million cubic metres)	19			
2. Forest Sustainability[2]				
Average age (years) of forest management plans in the green area[3]	9.3	≤8	≤8	≤8
Reforestation	New	To be determined		
3. Timber Revenue[2]				
% of timber royalties owed to the province collected[4]	99.9%	99.5%	99.5%	99.5%

[1] Data for 2002-03 has not been audited as there is a one year delay in reporting this data. Data for this measure is calculated as a five year rolling average, based on the timber year (May to April).

[2] New measure. Preliminary data and methodology has not been audited and is subject to change pending a review by the Office of the Auditor General.

[3] Average age of forest management plans is determined on a weighted average basis.

[4] Based on a three year rolling average. Note that "royalties owed" is estimated as revenue collected plus a three year rolling average of debt written off (which could have been accrued from a previous year's revenue). Methodology and data sources currently under review.

GOAL THREE

The values Albertans receive from wild species are sustained and enhanced for future generations.

What it means

Alberta's wild species are managed and used in a manner that maximizes the environmental, social, and economic benefits that Albertans receive from these resources while ensuring they are sustained for future generations.

Strategies

- Provide a clear, balanced approach to fish and wildlife management through a policy, legislative and regulatory framework that maximizes the benefits Albertans accrue from these resources.
- Ensure high levels of compliance with fish and wildlife legislation by delivering appropriate education, prevention and enforcement programs; monitoring the use of fish and wildlife resources and ensuring timely and effective responses to non-compliance.
- Mitigate and reduce negative interactions between wildlife and humans.
- Consult with Aboriginal communities to sustain traditional uses of fish and wildlife resources within an overall framework of conservation.
- Maintain up-to-date management plans for all game species and species at risk to ensure decision-making enhances benefits of these resources to Albertans.
- Promote healthy fish and wildlife populations by working with stakeholders to mitigate, detect and manage threats from disease and invasive alien species.
- Sustain the recreational enjoyment of wildlife resources with appropriate allocation and licensing decisions and by supporting non-consumptive uses.
- Maintain a sustainable commercial fishery through the delivery of the commercial fisheries buyout program.
- Encourage sustainable fisheries by improving the fish stocking system, habitat maintenance and restoration, management information and public education, within budgetary constraints.
- Maintain Alberta's natural advantage through the development of an Alberta approach to biodiversity, including the development and testing of a biodiversity monitoring system for Alberta.

Output Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1. Healthy Viable Wildlife Populations	New		To be determined	
2. Benefits from Wild Species	New		To be determined	
3. Human-Wildlife Interactions	New		To be determined	

GOAL FOUR

The values Albertans receive from rangelands are sustained and enhanced for future generations.

What it means Alberta's public rangeland resources are allocated and managed to maximize their multiple uses while ensuring the rangeland remains healthy for the future.

Strategies

- Provide a clear, balanced approach to rangeland management through a clear and balanced policy, legislative and regulatory framework that maximizes the long-term environmental, social, and economic benefits that Albertans receive from these resources.
- Ensure that Alberta's livestock industry has access to long-term, secure public rangeland grazing.
- Support sustainable range management practices and decision through coordinated inventories, knowledge transfer and applied research programs.
- Encourage good stewardship practices by monitoring utilization of public rangelands.
- Manage public rangelands in a manner that supports the co-existence of multiple uses and resource values.

Output Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1. Public Rangeland Allocation[1] Animal unit months allocated (millions)	1.6	1.6	1.6	1.6
2. Rangeland Sustainability[1,2] Percentage of leases in good standing	n/a	80%	80%	80%

[1] New measure. Preliminary data and methodology has not been audited, and is subject to change pending a review by the Office of the Auditor General.

[2] Historical data is not available, as the methodology was recently revised and has undergone changes.

GOAL FIVE

The values Albertans receive from public lands are sustained and enhanced for future generations.

What it means The land manage. strives to balance the environmental, economic and social values of Albertans within the context of sound resource management decision-making, through consultation with other departments, agencies, industries and stakeholders.

Strategies

- Provide an integrated, balanced approach to land use through a land management policy, legislative and regulatory framework that maximizes the benefits Albertans accrue from public lands
- Develop and implement policies, guidelines and practices that effectively mitigate the footprint of industrial and commercial development on public land.
- Deliver clear, effective and efficient business processes that enable growth of tourism activities on public lands.
- Encourage sustainable land use practices through integrated land use planning by government and industry.
- Increase opportunities for fair and reasonable participation in the economic opportunities associated with resource development on public lands by working with resource based communities and industry.

Output Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1. Industrial Disposition Planning Percentage of active oil and gas industrial dispositions subject to area operating agreements	24%	35%	35%	35%

[1] Data is preliminary and has not been audited. Subject to change pending a review by the Office of the Auditor General.

GOAL SIX

Optimize the long-term benefits (environmental, social and economic) that Albertans receive from public lands through effective, efficient disposition management.

What it means Land Use Disposition Management provides an integrated, balanced approach to managing dispositions on public lands, maximizing the long-term benefits Albertans accrue from public lands.

Strategies

- Ensure dispositions for the use of public lands are issued in a timely, effective manner with the appropriate and relevant conditions.
- Monitor existing dispositions to ensure the sustainability of public resources for other users.
- Provide an efficient and effective information management system for dispositions on public lands.

Output Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
1. Timely, Efficient Disposition Decisions Average number of working days for completion of industrial dispositions	17.2	<20	<20	<20
Average number of working days for completion of geophysical approvals	5.8	<10	<10	<10

Outcome Performance Measures for Core Business 2 - Natural Resource and Public Land Management

The following measures apply to all Goals within Core Business 2 - Natural Resource and Public Land Management:

Outcome Performance Measures	Last Actual (2000)	Target 2004-05	Target 2005-06	Target 2006-07
1. Multiple Natural Resource Industries Co-existing	New		To be determined	
2. Landscape Integrity % of Species at Risk[1]	1.4%	5%	5%	5%
3. Public Consultation and Transparency % of Albertans who agree that there are opportunities to provide feedback on resource decisions	New		To be determined	

CORE BUSINESS 3: Natural Resources Conservation Board (NRCB)

GOAL SEVEN

All elements of the pubic interest are fully and impartially considered when reviewing major non-energy natural resource projects.

What it means The Board, through the *Natural Resources Conservation Board Act*, ensures that where development occurs, it is within the overall public interest having considered the economic, social and environmental impacts of the proposed project. Project reviews include proposed forest, recreation, tourism, mining or water management developments.

Strategies

- Improve the hearing process to maximize the value of hearings to participants.
- Streamline and improve the energy, environmental and resource management regulatory systems in partnership with the Ministries of Energy and Environment.

GOAL EIGHT

Alberta's confined feeding industry is regulated to ensure that its development balances the interests of the industry, the environment and the surrounding communities.

What it means The Board ensures that development of Alberta's confined feeding industry reflects public policy, and that confined feeding operations and manure management practices are managed in accordance with the regulations under the *Agricultural Operation Practices Act*. This is done through the three business functions of assessment and approval, compliance and enforcement and reviews.

Strategies

- Streamline the application process by clarifying information gathering methods and requirements.
- Review proposals with consideration to social, environmental and economic interests.
- Enhance the existing compliance function to ensure timely and effective follow-up on complaints, strengthen ongoing surveillance of permitted operations, and implement appropriate enforcement responses to identified non-compliance issues.
- Enhance a communication and outreach initiative to relevant stakeholders in the confined feeding operations industry to improve awareness of regulations, increase overall compliance, and reduce the number of operations having unacceptable impacts on their neighbours and the environment.
- Use facilitation or mediation to assist parties in resolving issues prior to going to a hearing.

Performance Measures for Core Business 3 - Natural Resources Conservation Board

Performance measures for Core Business 3 are currently under development.

CORE BUSINESS 4: Surface Rights and Land Compensation Management

GOAL NINE

Fair access to private and Crown land for energy and oil and gas industry activities is provided.

What it means The Surface Rights Board is an arbitration board authorized to allow entry on private and Crown land for energy activities. The Board also sets the compensation payable by the energy company to the persons affected by the entry.

Strategies

- Issue Right of Entry Orders to energy companies permitting activity on private or crown lands.
- Determine compensation for right of entry and review compensation throughout lifetime of the energy activity.
- Settle disputes and determine compensation for damages arising from energy activities.
- Recommend payment of compensation to landowner by the Minister of Finance where the operator defaults.

GOAL TEN

Compensation is provided where an authority expropriates private property.

What it means The Land Compensation Board is an arbitration board authorized to determine the amount of compensation payable to a landowner or a tenant whose land is taken by an authority such as a municipality or the province for public works or projects.

Strategies

- Assess compensation amounts to be payable to landowners.
- Enhance public awareness and openness of Board proceedings by developing an information website and on line access to Board decisions.

Performance Measures for Core Business 4 - Surface Rights and Land Compensation Management

Performance measures for Core Business 4 are currently under development.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Wildfire Management	305,648	78,975	206,775	77,250	77,242	77,401
Natural Resource and Public Land Management	103,007	115,832	115,772	118,786	120,568	120,904
Natural Resources Conservation Board	4,516	4,983	6,183	6,636	6,636	6,451
Surface Rights and Land Compensation Management	2,413	1,952	1,952	2,001	2,001	2,001
Environment Statutory Programs	2,929	5,975	3,533	5,005	4,925	3,725
MINISTRY EXPENSE	418,513	207,717	334,215	209,678	211,372	210,482

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Transfers from Government of Canada	5,256	2,794	2,794	3,258	3,258	3,258
Investment Income	2,612	3,061	3,061	4,860	4,945	5,140
Premiums, Fees and Licences	112,394	111,895	101,694	115,299	116,080	129,407
Other Revenue	55,717	6,876	4,476	6,031	5,954	4,746
MINISTRY REVENUE	175,979	124,626	112,025	129,448	130,237	142,551
EXPENSE						
Program						
Wildfire Management	302,750	75,814	203,614	74,005	74,019	74,176
Natural Resource and Public Land Management	98,828	111,273	111,213	114,101	115,851	116,179
Natural Resources Conservation Board	4,516	4,983	6,183	6,636	6,636	6,451
Surface Rights and Land Compensation Boards	2,413	1,952	1,952	2,001	2,001	2,001
Ministry Support Services	6,849	6,665	6,665	6,875	6,885	6,895
Valuation Adjustments and Other Provisions	228	1,055	1,055	1,055	1,055	1,055
Environment Statutory Programs	2,929	5,975	3,533	5,005	4,925	3,725
MINISTRY EXPENSE	418,513	207,717	334,215	209,678	211,372	210,482
Gain (Loss) on Disposal of Capital Assets	(5,208)	4,000	4,000	4,000	4,000	4,000
NET OPERATING RESULT	(247,742)	(79,091)	(218,190)	(76,230)	(77,135)	(63,931)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	175,979	124,626	112,025	129,448	130,237	142,551
Inter-ministry consolidation adjustments	(215)	-	-	-	-	-
Consolidated Revenue	175,764	124,626	112,025	129,448	130,237	142,551
Ministry Expense	418,513	207,717	334,215	209,678	211,372	210,482
Inter-ministry consolidation adjustments	(3,144)	(5,975)	(3,533)	(5,005)	(4,925)	(3,725)
Consolidated Expense	**415,369**	**201,742**	**330,682**	**204,673**	**206,447**	**206,757**
Gain (Loss) on Disposal of Capital Assets	(5,208)	4,000	4,000	4,000	4,000	4,000
CONSOLIDATED NET OPERATING RESULT	(244,813)	(73,116)	(214,657)	(71,225)	(72,210)	(60,206)

CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Wildfire Management	6,524	6,200	19,200	7,382	7,382	7,382
Natural Resource and Public Land Management	850	635	635	3,265	3,265	3,265
Natural Resources Conservation Board	316	17	17	17	17	17
Ministry Support Services	457	-	-	100	230	130
MINISTRY CAPITAL INVESTMENT	8,147	6,852	19,852	10,764	10,894	10,794

Transportation

BUSINESS PLAN 2004-07

ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 27, 2004 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

Ed Stelmach

Ed Stelmach, *Minister of Transportation*
March 4, 2004

THE MINISTRY

The Ministry of Transportation includes a number of organizations to carry out the department's core business. The department's divisions are Transportation and Civil Engineering, Transportation Safety Services, and Transportation Policy and Planning. Four branches provide support services within the Ministry: Communications, Finance and Business Management, Human Resources, and Information Management. In addition, the position of Director for Transportation Innovation has been established to foster ongoing innovation and improvement.

The Ministry also includes the Transportation Safety Board, which adjudicates on commercial carrier compliance, controls and monitors driver licensing, and is responsible for hearings under the *Railway (Alberta) Act*. Reporting directly to the Minister, the Board was created by combining the former Driver Control Board and Motor Transport Board as a result of the implementation of the *Traffic Safety Act* on May 20, 2003.

LINK TO THE GOVERNMENT BUSINESS PLAN

Transportation directly supports the government's core businesses of *Prosperity, Preservation and Infrastructure* through the goals summarized below. Additional government goals are supported on a non-financial basis.

Goal 7 Alberta will have a prosperous economy.

- Pursue continued coordination of all transportation modes, and work to reduce current transportation barriers.
- Harmonize commercial vehicle standards and encourage improved transportation logistics between Alberta and domestic and international markets.

Goal 9 Alberta will be a fair and safe place to work, live and raise families.

- Improve road user behaviours by continuing to implement the new *Traffic Safety Act* and the new Graduated Driver Licensing Program.
- Manage intervention programs aimed at high risk drivers and develop an aging driver strategy.
- Work with industry and stakeholders to improve commercial carrier driver competency through new driver training programs, hours of service regulations, fatigue management counter measures, and monitoring commercial truck traffic and dangerous goods transport and handling.
- Enhance medically at risk driver monitoring to improve highway safety.
- Manage the condition and operation of provincial highways, in partnership with industry, to ensure safety.

Goal 12 Alberta will have effective and sustainable government owned and supported infrastructure.

- Contribute to the Economic Development Strategy Cross-Ministry Initiative by continuing development of the North-South Trade Corridor and other strategic economic corridor projects and urban corridors, including Calgary and Edmonton ring roads.
- Construct, maintain and improve the provincial highway network, water management infrastructure, and provide funding for water/wastewater treatment facilities.
- Monitor provincial railways to ensure railway infrastructure conforms to standards.
- Lead the Cross-government Capital Planning Initiative in partnership with Alberta Infrastructure.
- Support construction and rehabilitation of the municipal transportation network and water/wastewater facilities through grant funding.

VISION

Alberta Transportation will be ***A Centre of Excellence*** *for transportation in North America.*

MISSION

Alberta Transportation provides and supports a safe, sustainable transportation network and environmentally safe water and wastewater infrastructure through innovative and cost-effective programs and partnerships.

CORE BUSINESSES

Core Business 1: Manage transportation safety programs

Goal 1 - Improve driver, vehicle, carrier, road, and rail safety.

Core Business 2: Manage the provincial highway network

Goal 2 - Improve the safety, efficiency, and effectiveness of provincial highway infrastructure.

Core Business 3: Develop and preserve water management infrastructure

Goal 3 - Ensure safe and effective water management infrastructure on behalf of Alberta Environment.

Core Business 4: Represent Alberta's interests in transportation policy

Goal 4 - Work with stakeholders and other jurisdictions to develop and promote policies in support of efficient transportation (road, air, rail, and port).

Core Business 5: Partner with Municipalities

Goal 5 - Support municipal transportation and safe water/wastewater infrastructure.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Through its review of external and internal challenges, the Ministry has identified the significant opportunities and challenges described below.

1. New Fiscal Framework

As a result of recommendations made by the Financial Management Commission, the government established a New Fiscal Framework that will introduce a more sustainable way to fund capital projects, provide more stability in the planning and budgeting of capital infrastructure, and reduce the impact of volatile resource revenue.

2. Increasing Traffic Volumes

The amount of traffic in Alberta continues to rise due to an increasing population and a fast growing economy, resulting in major implications for the efficiency of Alberta's roads and safety of Alberta's road users.

3. Environmental Responsibility

Governments, interest groups, and the community in general are increasingly aware of environmental impacts. Transportation ensures sound environmental practices are applied in managing the highway system and developing water management infrastructure, incorporating costs and time to deliver projects into initial project plans.

4. Aging Infrastructure

Preserving the extensive provincial highway network requires a significant annual investment to ensure taxpayer investment is protected. By March 2004, deferred preservation on the provincial highway network is estimated to be at $900 million.

5. Capital Planning Initiative (CPI)

Working to develop effective planning tools and cost-effective ways of rehabilitating and maintaining infrastructure is vital. The CPI, led by Transportation and Infrastructure, will rationalize investment decisions on various types of government owned and supported infrastructure based on physical condition, utilization, and functionality.

6. Technology and Innovation

The Ministry is working to capitalize on the opportunities provided by technology and innovation to keep pace with increasing client expectations for improved services.

7. Demographics

An increasing and aging population, along with rapid urbanization, is affecting existing transportation infrastructure around major cities. With the aging population, demand is increasing to ensure that medically at risk drivers are safe while maintaining mobility, where possible. Due to health concerns, seniors may no longer be able to drive to access the health services they need. Demand for accessible transportation for seniors will increase.

8. Support Cross-Ministry Initiatives

Transportation will continue to participate in and contribute to many priority policy, key administrative, and emerging Cross-Ministry Initiatives to support the government's core businesses.

STRATEGIC PRIORITIES 2004-07

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

1. New Fiscal Framework **Linkage: Goals 1 and 2**	Public-private partnerships (P3s), such as the southeast Edmonton ring road, will become increasingly important in light of current fiscal trends, and balancing the needs of Albertans for transportation against other public programs.
2. Increasing Traffic Volumes **Linkage: Goals 1, 2, and 4**	Evaluate the recommendations from the review of the Traffic Safety Initiative and lead the development and implementation of an Alberta Traffic Safety Strategy with involvement from partners and stakeholders. Ensure the Transportation Safety Board is provided with the information and resources it requires to conduct timely, fair, and impartial appeals of departmental decisions concerning road and rail safety. Enhance provincial highway infrastructure such as the North-South Trade Corridor to accommodate increased traffic volumes and facilitate trade.
3. Environmental Responsibility **Linkage: Goals 2, 3, 4, and 5**	Initiate discussions on the development of Greenhouse Gas (GHG) mitigation-sector covenants in partnership with Environment and provide climate change related information to transportation sector partners. Participate in, provide input to, and report on development activities related to the provincial government's Climate Change Initiative and Water for Life strategy. Water for Life is a comprehensive, key strategic priority for water and watershed management to ensure safe, secure drinking water; healthy aquatic ecosystems; and reliable, quality water supplies for a sustainable economy. Plan the development and implementation of the Environmental Management System to integrate environmental considerations into Ministry activities.
4. Aging Infrastructure **Linkage: Goals 2, 3, and 5**	Continue to work with Environment to effectively develop water/wastewater management infrastructure and solutions. Preserve and prolong the life of provincial highway infrastructure. Replace aging vehicle inspection stations with joint-use facilities under the Alberta/British Columbia protocol and Memorandum of Understanding.
5. Capital Planning Initiative (CPI) **Linkage: Goals 2, 3, and 5**	Ensure effective management of government owned and supported infrastructure. Identify and update long-term capital funding requirements for all government owned and supported infrastructure. Prepare an annual report on the CPI.

6. Technology and Innovation

Linkage:
Goals 1, 2, 3, and 4

Develop and explore innovative strategies, policies, and technology to support Ministry core businesses.

7. Demographics

Linkage:
Goals 1 and 4

Lead the Alberta Driver History Initiative to aid in the effective management of high risk drivers and work with stakeholders to enhance the document management of driver medical reports.

Implement traffic safety programs to address aging driver and other strategies to increase driver safety and reduce traffic collisions, injuries, and fatalities.

8. Support Cross-Ministry Initiatives

Linkage:
Goals 1, 2, 3, 4, and 5

Health Sustainability Initiative

- Contribute to the development and implementation of a provincial injury prevention strategy.

Aboriginal Policy Initiative

- Participate in developing traffic safety strategies appropriate to the needs of the Aboriginal community.
- Continue negotiations with the City of Calgary and Tsuu T'ina Nation to extend Sarcee Trail in Calgary through reserve land.
- Continue to include an Aboriginal content clause for the supply of labour, equipment, or material resources for projects being undertaken on Indian Reserves and Métis Settlements.

Economic Development Strategy

- Continue twinning of the North-South Trade Corridor and development of urban corridors.
- Increase competitiveness through initiatives like the Long Combination Vehicle (LCV) program and minimize delays at border crossings for dangerous goods and other cargo.
- Undertake transportation specific research and development initiatives.
- Participate on the committee supporting the Rural Development Initiative and work towards the achievement of the identified objective of building community capacity and regional economic development.

Alberta Children and Youth Initiative

- Enhance the safety of children through programs and initiatives focussing on child safety seats, bicycle helmets, and other road safety programs aimed at school age children.
- Continue implementation of the Graduated Driver Licensing program to enhance the safety skills of new drivers.

Other Cross-Ministry Initiatives

- Alberta Transportation provides support for other administrative and emerging initiatives including the Service Alberta Initiative, Corporate Human Resource Development Strategy, the Alberta Corporate Service Centre Initiative (ACSC), the Information and Communications Technology (ICT) Strategy, the Federal/Provincial Relations Strategy and Climate Change Initiative.

CORE BUSINESSES, GOALS, STRATEGIES AND MEASURES

Core Business One: Manage transportation safety programs

GOAL ONE

Improve driver, vehicle, carrier, road, and rail safety

What it means Alberta Transportation improves driver, vehicle, carrier, road, and rail safety by ensuring effective driver education services, programs, and licensing standards are in place; managing driver records and problem drivers; implementing impaired driving programs; delivering and enforcing vehicle and commercial carrier safety programs; monitoring the handling and transport of dangerous goods; and overseeing the safe operation of provincial railways.

Strategies

- Develop and implement traffic safety programs and initiatives such as high risk driver, medically at risk driver, aging driver, and other strategies to increase driver safety and reduce traffic collision injuries. This also includes safety programs for snowmobiles, motorcycles, and other vehicles.
- Continue to enhance regulations under the new *Traffic Safety Act* to provide a framework for addressing safety issues and new initiatives aimed at improving driver behaviour and vehicle safety. Programs and initiatives such as the Graduated Driver Licensing Program, Alberta Children and Youth Initiative, and the Child Traffic Safety Program, support the idea of increasing safety for young drivers and future road users.
- Provide direction and input related to road safety issues to the Alberta Centre for Injury Control and other provincial stakeholders as part of the development and implementation of a provincial injury prevention strategy.
- Work with industry and other stakeholders to improve commercial driver competency through driver training initiatives, hours of service regulation, fatigue management counter measures, and sharing of commercial driver profiles with other jurisdictions.
- Continue to implement a new program that licenses private sector mechanics and their facilities to inspect and repair out of province and written-off vehicles to ensure only mechanically safe vehicles are registered for use on Alberta's roads.
- Implement required changes to provide for the safe operation of railways under provincial jurisdiction as covered by the *Railway (Alberta) Act*, and support the participation of local authorities in a safety improvements program offered by Transport Canada for rail crossings on local roads.
- Undertake safety audits at the highway planning and design stage to ensure overall integration of geometrics, traffic signals, pavement markings, and other specialties, and identify rest area and roadside turnout needs in conjunction with highway improvements.
- Explore opportunities to deploy intelligent transportation systems, including dynamic message signs and road weather information systems, to address highway safety issues.
- Pursue initiatives under Road Safety Vision 2010, Canada's national road safety strategy, to ensure Alberta will meet national goals and sub-targets.

Performance Measures	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Mechanical Safety of Commercial Vehicles				
a) Percentage of Inspected Vehicles Requiring On-Site Adjustments	20.3	24.6	24.2	23.9
b) Percentage of Inspected Vehicles Requiring Attention of a Mechanic	3.6	4.5	4.3	4.1
Involvement of Commercial Vehicles in Casualty Collisions				
Percentage of Commercial Vehicles Involved in Casualty Collisions*	New		To be determined	
Seat Belt Usage				
a) Percentage of Vehicle Occupants Wearing Seat Belts - Alberta**	n/a	n/a	85.5	n/a
b) Percentage of Vehicle Occupants Wearing Seat Belts - Rural**	77.3	77.5	n/a	77.8
Involvement of Drinking Drivers in Casualty Collisions				
a) Percentage of Drinking Drivers in Fatal Collisions in Alberta	20.7	20.0	19.9	19.7
b) Percentage of Drinking Drivers in Injury Collisions in Alberta	4.4	4.7	4.7	4.6

* (Measure under development) - Transportation is currently reviewing the Road Safety Vision 2010 sub-target which aims at a 20% decrease in road users killed or seriously injured in collisions involving commercial vehicles. The objective will be to develop a baseline and target that will be compatible with this national sub-target.

** Transport Canada has changed the seat belt survey. Starting in 2002, the report on overall and rural Alberta surveys will be alternating. The 2002 year saw results for the rural area and will next appear in 2004 and 2006. The Overall Survey for Alberta will commence in 2003 and be repeated in 2005. Road Safety Vision 2010 aims to achieve a national seat belt compliance rate of 95% by 2010.

Core Business Two: Manage the provincial highway network

GOAL TWO

Improve the safety, efficiency, and effectiveness of provincial highway infrastructure

What it means

Improve the provincial highway infrastructure by efficiently managing highway planning, design, construction, maintenance, and rehabilitation; developing standards for provincial highways; and enforcing commercial carrier weights and dimensions. Lead the Capital Planning Initiative and develop strategic economic trade corridors such as the North-South Trade Corridor, the southeast ring road in Edmonton, and the Stoney Trail in Calgary.

Strategies

- Continue to implement a state of the art Transportation Infrastructure Management System (TIMS).
- Apply innovative approaches and techniques to improve highway design, construction, and preservation, including continued research on safety, engineering, and intelligent transportation systems.
- Promote the Alberta Advantage and tourism, in co-operation with industry and government stakeholders, by developing highway signs enabling tourists to identify and locate Alberta's major tourist attractions.

- Manage and maintain the road and bridge infrastructure in Provincial Parks, which was transferred from Community Development.
- Lead the cross government Capital Planning Initiative in partnership with Infrastructure to ensure long term capital plans and effective infrastructure management systems are in place, alternative financing options such as public-private partnership (P3) opportunities are considered, and performance of existing infrastructure is measured.
- Address the amount of deferred preservation of the provincial highway network. Estimated deferred preservation up to March 2004, is $900 million.
- Monitor, enforce, and manage truck weight and dimension limits on provincial highways.
- Review and update national highway safety standards in co-operation with other provinces.
- Pursue construction of the Edmonton southeast ring road, for completion by 2007, using a Design Build Finance Operate (DBFO) procurement model as a delivery option.
- Develop a joint use vehicle inspection station with British Columbia under the Bilateral Alberta/British Columbia Protocol and Memorandum of Understanding.
- Develop the Provincial Freeway Corridor Management Plan to accommodate long term development alongside roadways, access management, and maintain rights-of-way.
- Plan the development and implementation of the Environmental Management System; a system of policies, procedures, and practices designed to identify and manage the environmental impacts associated with the Ministry's products, services, and activities.
- Implement the Road Weather Information System (RWIS) to share road condition data with Alberta travelers and improve road maintenance response to severe storms.

Performance Measures	**Last Actual (2002-03)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
Physical Condition of Provincial Highways (1)				
a) in good condition	65.8	62.0	61.0	59.5
b) in fair condition	23.0	24.0	24.0	24.0
c) in poor condition	11.2	14.0	15.0	16.5
Utilization of Provincial Highways Percentage of Provincial Highways that Accommodate Current Traffic Volumes to the Required Level of Service	99.8	99.0	99.0	99.0
Functional Adequacy of Provincial Highways (2) Percentage of Provincial Highways that are Not Subject to Weight Restrictions and Meet Current Engineering Standards	80.1	80.0	79.8	79.5
Construction Progress on the North-South Trade Corridor Percentage of Four-Laning Open to Travel	78.3	84.0	88.0	90.0
Ring Roads in Edmonton and Calgary Percentage of Ring Roads Open to Travel	18.2	22.0	25.0	26.0

(1) Improving the target for the "physical condition of provincial highways in poor condition" by 1% would cost approximately $60 million.

(2) Improving the target for the "functional adequacy of provincial highways" by 1% would cost approximately $170 million.

Core Business Three: Develop and preserve water management infrastructure

GOAL THREE

Ensure safe and effective water management infrastructure on behalf of Alberta Environment

What it means Continue to work with Environment in effectively developing and maintaining water management infrastructure.

Strategies

- In conjunction with Environment, develop a multi-year rehabilitation program for Alberta Northern Erosion Control Program projects.
- Complete the construction of major projects and continue the rehabilitation of the Carseland/Bow River Headworks.
- Develop a program to rehabilitate provincially supported water drainage infrastructure.
- Rehabilitate and maintain the provincially owned water management infrastructure through efficient planning and resource allocation.
- Ensure environmental practices are integrated into both short term and long term planning processes.

Performance Measure	Last Actual (2002-03)	Target 2004-05	Target 2005-06	Target 2006-07
Progress on Completion of Major Water Management Construction Projects Percentage of Carseland/Bow River Headworks Rehabilitation Completed	5	19	27	45

Core Business Four: Represent Alberta's interests in transportation policy

GOAL FOUR

Work with stakeholders and other jurisdictions to develop and promote policies in support of efficient transportation (road, air, rail, and port)

What it means Partner with other governments, jurisdictions, and stakeholders to develop a national transportation strategy; harmonize driver standards, dangerous goods and rail safety, commercial carrier standards; continue barrier free transportation initiatives, and improve financing and regulatory issues related to transportation. Develop a Strategic Transportation Vision that will provide a long term (up to 30 year) view of transportation in Alberta and western Canada, taking into account projected urban and rural growth patterns, safety, resource development, and intelligent transportation systems research and planning. Support Cross-Ministry Initiatives.

Strategies

- Work with stakeholders and municipalities to ensure appropriate transportation infrastructure investment to maintain efficient and integrated networks and supply chains.
- Encourage other jurisdictions to adopt harmonized truck weights and dimensions and implement international cargo securement standards.
- Develop access routes and inter-modal trade corridors such as the CANAMEX Corridor (CANada/AMerica/MEXico) to better connect Alberta shippers to the United States and other world markets.

- Contribute to British Columbia's Port Strategy, and provide input and support to the Prince Rupert/Northern Corridor initiative headed by Economic Development.
- Monitor CN's takeover of BC Rail as it relates to Alberta shippers.
- Participate along with Economic Development in the review of provincial shortline railway infrastructure investment needs.
- Conduct follow up analyses on the Container Study to identify potential initiatives in developing container traffic services.
- Participate on the Council of Western Transportation Ministers to develop and implement strategies to address western transportation issues.
- Support the Aboriginal Policy Initiative by providing opportunities to Aboriginal people to participate in Ministry projects undertaken on their lands and assisting Aboriginal communities to develop traffic safety strategies appropriate to their needs.
- Participate in, provide input into and report on development activities related to the water strategy and climate change initiatives.
- Provide climate change related information to transportation sector partners.
- Initiate discussions toward the development of Greenhouse Gas (GHG) mitigation sector covenants for the trucking and heavy construction sectors in partnership with Environment.
- Lead the Alberta Advisory Committee on Barrier Free Transportation to develop strategies to improve access to transportation facilities and systems for people with disabilities, and continue to work with municipalities to implement strategies at the local level.
- Continue to implement the Intelligent Transportation Systems (ITS) Strategic Plan and explore opportunities for using ITS to improve the safety and efficiency of the provincial transportation network and logistics at international border crossings.
- Collaborate with the aviation industry to provide input to the national aviation strategy.
- Partner with Canadian and American governments and the State of Montana to complete the new joint border-crossing facility at Coutts/Sweetgrass.
- Share Road Weather Information System (RWIS) data with British Columbia and travelers through dynamic message signs.
- Work with the federal government to deliver the Strategic Highway Infrastructure Program (SHIP) and the Canada Strategic Infrastructure Fund (CSIF).

Performance Measure	Last Actual	Target 2004-05	Target 2005-06	Target 2006-07
Barrier Free Transportation (Measure under development)	New		To be determined	

Core Business Five: Partner with municipalities

GOAL FIVE

Support municipal transportation and safe water/wastewater infrastructure

What it means Provide funding for eligible municipal transportation infrastructure and participate with municipalities and communities in federal infrastructure funding programs. Provide funding for eligible municipal water/wastewater facilities through the Alberta Municipal Water/Wastewater Partnership, focusing on addressing health and environmental concerns as a top priority.

Strategies

- Continue to provide the cities of Edmonton and Calgary with annual funding for transportation projects based on five cents per litre of fuel delivered within their boundaries.
- Provide other cities Basic Capital Grant funding of $60 per capita to support local transportation needs.
- Continue to provide cities (other than Edmonton and Calgary) with Cities Special Transportation Grant (CSTG) funding to address transportation growth pressures.
- Provide grant funding through the Streets Improvement Program (SIP), whereby towns, villages, summer villages, and eligible hamlets may receive $60 per capita for lasting capital street improvements and replacing underground water and sewer lines.
- Administer the Resource Road Program to assist rural municipalities, towns, and villages impacted by resource and new industry based traffic.
- Provide rural municipalities, including Métis Settlements, with funding under the Rural Transportation Partnership to assist with the upgrade of local roads and bridges.
- Continue working with the federal and municipal governments to deliver the Infrastructure Canada/Alberta Program (ICAP), that provides funding for "green" and other municipal infrastructure and develop criteria with the federal government for the Municipal Rural Infrastructure Fund (MRIF).
- Assist municipalities with the construction of water supply, water treatment, and wastewater treatment and disposal facilities, through Alberta Municipal Water/Wastewater Partnership (AMWWP) funding consistent with the Cross-Ministry Water for Life Strategy.

Performance Measure	**Last Actual (2001-02)**	**Target 2004-05**	**Target 2005-06**	**Target 2006-07**
Municipal Client Satisfaction - Percentage of Municipal Clients Satisfied with Overall Quality of Service	85	n/a	85	n/a

Client satisfaction survey is conducted every second year. The next survey is being conducted in January 2004. Percentage of clients responding "somewhat satisfied," "satisfied," and "very satisfied" on balanced 6-point scale (1 is "very unsatisfied," 6 is "very satisfied").

CORPORATE INITIATIVES

The Ministry is pursuing a range of corporate initiatives to improve the efficiency and effectiveness of departmental staff in carrying out our core businesses, processes, and programs.

- Develop a Strategic Plan to guide Ministry activities for the next 10 years and beyond.
- Develop an accountability framework to facilitate the achievement of business plan goals, and measure results against established targets.
- Implement innovative and responsive human resource programs and services to ensure a highly competent workforce in the Ministry and the organizational capacity to respond to changes and business plan priorities.
- Support the development of transportation information management systems that enhance the decision making of all Ministry staff.
- Develop, implement, and maintain strategic communications plans and products for Ministry initiatives to ensure effective communication with Albertans.
- Develop an effective, clear, unified, and coherent legislative framework for the Ministry.
- Evaluate and finalize the development of a Business Resumption Plan for the Ministry.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Manage transportation safety programs	32,538	33,254	33,659	34,792	33,772	33,772
Manage the provincial highway network	492,839	559,491	565,491	609,753	602,874	592,974
Develop and preserve water management infrastructure	2,897	2,980	2,980	3,045	3,015	3,015
Represent Alberta's interests in transportation policy	3,305	3,473	3,473	3,548	3,528	3,528
Partner with Municipalities	141,553	289,920	267,420	387,594	372,143	353,543
MINISTRY EXPENSE	673,132	889,118	873,023	1,038,732	1,015,332	986,832

CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Manage transportation safety programs	3,813	4,600	4,600	4,600	4,820	4,820
Manage the provincial highway network	283,497	365,780	370,780	463,600	475,700	491,600
Develop and preserve water management infrastructure	37,717	34,450	29,450	30,450	30,480	30,480
Partner with Municipalities	1,769	2,250	2,250	2,250	2,400	2,400
MINISTRY CAPITAL INVESTMENT	326,796	407,080	407,080	500,900	513,400	529,300

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
REVENUE						
Internal Government Transfers	65,000	95,000	95,000	160,000	180,000	200,000
Transfers from Government of Canada	1,596	9,400	5,280	60,300	53,819	78,500
Premiums, Fees and Licences	14,832	11,475	13,735	11,220	11,220	11,220
Other Revenue	11,073	2,695	2,720	1,265	1,265	1,265
MINISTRY REVENUE	92,501	118,570	116,735	232,785	246,304	290,985
EXPENSE						
Program						
Provincial Highway Systems	250,257	276,787	282,787	313,282	296,982	287,082
Transportation Safety Services	25,203	26,423	26,828	27,886	27,086	27,086
Municipal Partnerships	129,216	266,700	250,200	355,300	340,000	334,400
Infrastructure Canada / Alberta Program	6,837	18,000	12,000	27,000	27,000	14,000
Transportation Safety Board	923	1,004	1,004	1,023	1,023	1,023
Support Services	56,522	56,204	56,204	57,241	56,241	56,241
Amortization	185,210	219,000	219,000	232,000	242,000	242,000
Consumption of Inventories	18,964	25,000	25,000	25,000	25,000	25,000
MINISTRY EXPENSE	673,132	889,118	873,023	1,038,732	1,015,332	986,832
Gain (Loss) on Disposal and Write Down of Capital Assets	(6,765)	-	-	-	-	-
NET OPERATING RESULT	(587,396)	(770,548)	(756,288)	(805,947)	(769,028)	(695,847)

CONSOLIDATED NET OPERATING RESULT
(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Ministry Revenue	92,501	118,570	116,735	232,785	246,304	290,985
Inter-ministry consolidation adjustments	(65,751)	(95,000)	(95,000)	(160,000)	(180,000)	(200,000)
Consolidated Revenue	26,750	23,570	21,735	72,785	66,304	90,985
Ministry Program Expense	673,132	889,118	873,023	1,038,732	1,015,332	986,832
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**673,132**	**889,118**	**873,023**	**1,038,732**	**1,015,332**	**986,832**
Gain (Loss) on Disposal and Write Down of Capital Assets	(6,765)	-	-	-	-	-
Inter-ministry consolidation adjustments	751	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(652,396)	(865,548)	(851,288)	(965,947)	(949,028)	(895,847)

CAPITAL INVESTMENT BY PROGRAM
(thousands of dollars)

	Comparable 2002-03 Actual	Comparable 2003-04 Budget	Comparable 2003-04 Forecast	2004-05 Estimates	2005-06 Target	2006-07 Target
Provincial Highway Systems	157,994	152,900	144,400	165,700	121,600	137,000
Strategic Economic Corridor Investment Initiative	119,648	205,180	218,680	290,200	345,800	346,300
Water Management Infrastructure	37,363	34,000	29,000	30,000	30,000	30,000
Support Services	11,791	15,000	15,000	15,000	16,000	16,000
MINISTRY CAPITAL INVESTMENT	326,796	407,080	407,080	500,900	513,400	529,300

Alberta Heritage Savings Trust Fund

BUSINESS PLAN 2004-07

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The Business Plan was reviewed and approved by Treasury Board on January 21, 2004, and by the Legislature's Standing Committee on the Alberta Heritage Savings Trust Fund on February 5, 2004.

MISSION

The mission of the Heritage Fund is to provide prudent stewardship of the savings from Alberta's non-renewable resources by providing the greatest financial returns on those savings for current and future generations of Albertans.

INTRODUCTION

This is the eighth business plan for the Heritage Fund, which amends the previous business plans and incorporates updated financial information and income forecasts. This plan sets out specific investment objectives, goals and strategies to achieve the Heritage Fund's objectives as expressed in the legislation.

BACKGROUND

- The Alberta Heritage Savings Trust Fund (the Heritage Fund) was created in 1976 to save a portion of non-renewable resource revenue. The Heritage Fund grew from a portion of Alberta's oil and gas revenue being deposited into the fund from inception in 1976, until 1987. As well, prior to 1982, the Heritage Fund retained its income.

- On January 1, 1997, the Heritage Fund was restructured in response to a public review. The restructuring included a new governance structure as well as the establishment of new investment objectives and performance measures.

- In the fall of 2002, the Minister of Revenue conducted a public consultation on the future mandate of the Heritage Fund in the form of a survey mailed to all Alberta households. The survey confirmed the Heritage Fund as an endowment, underscoring the need to preserve its real value over the long term.

- The Heritage Fund Act includes a provision to retain a portion of the Heritage Fund's income in the Fund to protect its real value. Until the Province's accumulated debt is eliminated, the Province has discretion in retaining income to protect the real value of the Heritage Fund. After the Province's debt is eliminated, inflation proofing is mandatory, as long as the Fund's income is sufficient.

- In August 2003, the Minister of Revenue created the Endowment Fund Policy Committee. The purpose of the Endowment Fund Policy Committee is to assist the Minister in carrying out investment policy responsibilities.

FISCAL CONTEXT

- Assets and income of the Heritage Fund are fully consolidated with the assets and revenue of the Province.

- Income earned during a fiscal year is transferred to the General Revenue Fund (GRF), except for any portion retained for inflation proofing.

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[1] Preamble to the *Alberta Heritage Savings Trust Fund Act.*

HERITAGE FUND STRUCTURE AND INVESTMENT OBJECTIVE

The *Heritage Fund Act* created an endowment portfolio with the objective of maximizing long-term financial returns.

The *Heritage Fund Act* states that,

> Subject to the regulations, when making investments the Minister of Revenue shall adhere to investment and lending policies, standards and procedures that a reasonable and prudent person would apply in respect of a portfolio of investments to avoid undue risk of loss and obtain a reasonable return that will enable the endowment portfolio and the transition portfolio to meet their respective objectives.

GOALS, INVESTMENT STRATEGIES, OUTCOMES AND PERFORMANCE MEASURES

GOAL ONE

Maintain nominal value of assets at a 5-year planning horizon.

What it means:

The asset mix of the Heritage Fund is designed to give a high probability of maintaining its nominal book value over the next five years. The nominal value of the Heritage Fund is not adjusted to take the effects of inflation into account, whereas the real value does recognize the loss of purchasing power over time. Historically, the Heritage Fund has been successful in maintaining the nominal value of assets in a variety of market conditions. However, in periods of large sustained capital market losses, an erosion of book value can occur.

GOAL TWO

Achieve budgeted cumulative income forecasts during a 5-year planning horizon.

What it means:

The investment objective provides for a long-term investment horizon in the context of short-term uncertainty. The Heritage Fund is invested in a diversified portfolio including interest bearing securities, Canadian equities, international equities, private equities, absolute return strategies and real estate. The Fund is invested to generate long-term returns to support the Province's income and spending needs. It is widely accepted that a prudent mix of interest-bearing securities, equities, real estate and alternate asset classes best achieves the objective of optimizing financial returns as it provides enhanced expected returns and diversifies risk.

GOAL THREE

Preserve the real value of assets over a long-term horizon (20 years).

What it means:

The *Heritage Fund Act* underscores the importance of maintaining the real value into the future by providing for investment income to be retained in the Heritage Fund for inflation proofing, as affordable. Also, investment funds with long-term investment horizons, and an objective to optimize long-term returns, invest a significant amount of their assets in equities since equities have historically provided investors with higher total returns (dividends and capital gains) than interest bearing securities. The Heritage Fund follows a similar strategy to achieve higher financial returns over the longer term.

Goals 1, 2 and 3 are dealt with by policy asset mix and portfolio management strategies of the Heritage Fund.

The 2003-06 business plan held the policy allocation to fixed income securities and real estate constant while increasing the allocation to private equity and absolute return strategies at the expense of public equities. Actual allocations to private equities and real estate lag policy allocations because of the illiquid nature of these asset classes. Any further policy allocations to private equity and real estate asset classes must wait on actual allocations increasing further (Table 1).

TABLE 1: 2003-06 Business Plan

	Dec. 31, 2003 Actual	2003-06 Business Plan Policy Portfolio 2003-04	2004-05	2005-06
Money Market	0.6%	2%	2%	2%
Bonds	31.8%	33%	33%	33%
Canadian Public Equities	23.0%	–	–	–
U.S. Public Equities	16.0%	–	–	–
Non-North American Public Equities	17.4%	–	–	–
Total Public Equities	56.4%	48%	46%	45%
Private Equities	0.9%	3%	4%	5%
Real Estate	7.4%	10%	10%	10%
Absolute Return Strategies	2.9%	4%	5%	5%

The new business plan modifies the policy allocations of the previous business plan slightly and introduces a further allocation to absolute returns strategies while reducing the allocation to bonds. In addition, this business plan re-affirms the strategy of increasing investments in private equities (Table 2).

The revised policy asset mix targets for the Heritage Fund are as follows:

TABLE 2: 2004-07 Business Plan

	Dec. 31, 2003 Actual	Policy Portfolio 2003-04	2004-05	2005-06	2006-07
Money Market	0.6%	2%	2%	2%	2%
Bonds	31.8%	33%	33%	33%	30.5%
Canadian Public Equities	23.0%	–	–	–	15%
U.S. Public Equities	16.0%	–	–	–	15%
Non-North American Public Equities	17.4%	–	–	–	15%
Total Public Equities	56.4%	48%	46%	45%	45%
Private Equities	0.9%	3%	4%	5%	5%
Real Estate	7.4%	10%	10%	10%	10%
Absolute Return Strategies	2.9%	4%	5%	5%	7.5%

The government reports its financial statements on a consolidated basis and therefore Heritage Fund income is included in consolidated income for the province. Consequently, the level and variability of Heritage Fund income is important to the government's fiscal plan. However, long-term capital appreciation is also desired.

Strategies

- Increase investments in absolute return strategies and private equity.

  Increasing exposure to non-traditional asset classes (absolute return strategies and private equity) can create a portfolio with improved risk/return trade-offs even after the additional investment costs associated with these assets are taken into account. An increase in exposure to these asset classes will be implemented and is expected to improve portfolio risk and return. An increased exposure to non-traditional asset classes is in line with the policies of many other North American endowment funds.

- Reduce Canadian fixed income investments.

  The Canadian fixed income exposure will be gradually reduced to accommodate the increase in absolute return strategies.

- Reduce public equity investments.

  Public equity investments will be gradually reduced to accommodate the increase in private equity investments.

- Transition the current actual asset mix to the policy asset mix in a prudent and timely manner.

- To diversify risk and enhance expected returns, allocate Heritage Fund assets among permitted asset classes and within the guidelines of Alberta Investment Management's rebalancing policy.

  Alberta Investment Management may vary the allocation of assets within the policy ranges based on the outlook for financial markets, subject to transitioning actual weights to policy weights and the following ranges:

Asset Class	Holdings
Interest-Bearing Securities	Policy +/- 5%
Equities	Policy +/- 5%
Real Estate	8% to 12%
Absolute Return Strategies	2.5% to 8%

- Reduce the Heritage Fund's investment in project loans. Remaining project loans have a total value at cost of $97 million or 0.9% of Heritage Fund fair value. The largest of these project loans is a $91 million loan to Ridley Grain Ltd.

- As affordable, retain income to ensure that the Heritage Fund grows with inflation over time.

Outcomes

- Income forecasts are achieved on a cumulative basis over five years.
- Nominal value of assets is maintained at a five-year horizon.
- Real value of assets is preserved at a 20-year horizon.
- The Heritage Fund policy asset mix is expected to generate a total real rate of return of 4.5% at an acceptable level of risk over a moving five-year period.
- Market rate of return is expected to be greater than a passively invested benchmark portfolio by 0.50% per year (after fees are deducted) by adding value through active management.

Performance Measures

- The market value rate of return of the policy benchmark will be compared against the Consumer Price Index (CPI) plus 4.5% to determine whether the long term capital market assumptions on which the investment policy is based are achieving the returns relative to expectations.

- The actual market value rate of return will be compared against the policy benchmark return to determine the impact of fund management on performance using the following benchmarks for each asset class. Alberta Investment Management will seek to add 50 bps (0.50%) of value per year over a five-year investment horizon.

Asset Class	Benchmark[2]
Fixed Income	
Money Market	SC 91-day T-Bill
Bonds	SC Universe
Equity	
Canadian	S&P/TSX Composite
U.S.	S&P 1500
Other International	MSCI EAFE
Private	CPI + 8%
Real Estate	CPI + 5%
Absolute Return Strategies[3]	CPI + 6%

The above benchmarks are unchanged from the previous business plan except that the S&P 1500 index replaces the S&P 500 index for measuring performance of the U.S. equities market. The S&P 1500 Index provides a broader coverage of U.S. equities to include smaller capitalization stocks. The S&P 1500 Index covers approximately 90% of U.S. publicly traded securities.

RISKS TO INVESTMENT STRATEGIES, OUTCOMES AND PERFORMANCE MEASURES

There are significant risks inherent in the business plan.

Income will vary significantly from year to year for the following reasons:

1. The well-established capital market principle that increased expected returns are accompanied by increased risk.

2. An investment policy to maximize long-term returns implies a weighting towards investments in equities. Equities have historically provided investors with higher total returns (dividends and capital gains) than fixed income investments, however, dividend rates in general are lower than interest rates, thereby providing lower current income while the magnitude and timing of realizing capital gains is uncertain.

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[2] See Appendix A for a description of these benchmarks.

[3] See Appendix C for a description of this asset class.

3. Given a well-implemented private equities program, private equities can provide investment returns above those of public equities. However, by their nature, private equity investments are highly illiquid and are associated with an investment horizon of five to ten years to realize investment gains, if any. Some private equity investments are subject to potentially large or total investment losses.

4. Absolute returns strategies have gained prominence in recent years with an expectation of stable returns. However, this market is very fragmented with many different strategies and investment fees are above those of traditional managers. In some cases, there have been large losses sustained in the industry by otherwise well informed and highly professional investors. Manager selection and oversight are therefore critical to successful implementation.

ACCOUNTABILITY TO ALBERTANS

GOAL FOUR

Ensure the transparency of the Heritage Fund's objectives and results for Albertans.

What it means:

Results from the *Looking Forward* survey confirm Albertans want a strong, healthy Heritage Fund that is used primarily for savings. Ongoing communication through published reports and news releases will ensure Albertans remain aware of the performance of the Heritage Fund.

Strategies

- Release quarterly and annual reports on a timely basis in simple, understandable language.
- Release summary reports of the Heritage Fund's investment activities and results for Albertans on a timely basis.
- Publish the Heritage Fund Business Plan annually.
- The Legislature's Standing Committee will hold annual public accountability meetings around Alberta to report on the Heritage Fund's results and to answer questions on the Fund's performance.
- Include Heritage Fund information in a new Alberta Revenue web newsletter.

Outcome

- Improved understanding by Albertans of the management, operations, investment philosophy and performance of the Heritage Fund.

Performance Measures

- Timeliness of reports and public accountability meetings.
- Knowledge of Albertans regarding information provided about the Heritage Fund.

Benchmarks

- Annual report will be released by June 30 of each year.
- Quarterly reports will be released within two months after the conclusion of the quarter.
- Albertans are satisfied with their knowledge of the Heritage Fund, with 50% able to estimate the Fund's value

MANAGEMENT AND ACCOUNTABILITY

1. The mission and investment objectives for the Heritage Fund have been established in legislation and are summarized above.

2. A Standing Committee of the Legislature has been created by legislation and has the following responsibilities:

   - To review and approve annually the business plan for the Heritage Fund;
   - To receive and review quarterly reports on the operation and results of the Heritage Fund;
   - To approve the annual report of the Heritage Fund;
   - To review after each fiscal year end the performance of the Heritage Fund and report to the Legislature as to whether the mission of the Heritage Fund is being fulfilled;
   - To hold public meetings with Albertans on the investment activities and results of the Heritage Fund.

3. The Minister of Revenue is responsible for the operation of the Fund.

4. The Endowment Fund Policy Committee reviews and recommends the business plan, quarterly and annual reports, and the investment policies for the Heritage Fund to the Minister. The Committee includes a majority of private sector members with relevant financial and business expertise.

5. Alberta Investment Management (part of Alberta Revenue) makes ongoing investment decisions.

6. The Auditor General is the auditor of the Heritage Fund.

7. There are restrictions on the kind of investments that can be made. Heritage Fund assets are to be invested prudently and cannot be used for economic development or social investment purposes.

INCOME AND EXPENSES

- Capital gains and losses on traditional equity investments are not recognized as income until the investment is sold or, given a significant loss, written down. Therefore, gains and losses that are included in reported rates of return might not be immediately reflected in realized income. In contrast, income and expenses on equity index swaps are accrued as earned, resulting in gains and losses being realized in income as they occur.

The income projections include:

  - Interest income,
  - Dividend income,
  - Capital gains or losses only when they are realized, such as when an investment is sold,
  - Income and expense on index swaps and interest rate swaps accrued as earned.

- The income projections do not include unrealized capital gains.

- Following are current projections of Heritage Fund income based on the assumptions noted. Actual results will vary from projected income depending on the extent to which actual interest rates and equity market returns vary from the assumptions used.

TABLE 3: Heritage Fund Income Forecasts and Underlying Assumptions

	2003-04	2004-05	2005-06	2006-07
Forecast Annual Income ($millions)				
Unconsolidated Investment Income	981	647	721	741
Consolidated Investment Income	964	631	706	728
Forecast Fair Value of the Fund ($billions)	11.9	12.1	12.2	12.3
Assumptions (%)				
1. Interest Rates of Fixed Income Securities		6.0%	6.0%	6.0%
2. Rates of Return on Equity				
Canadian (Public and Private)		7.0%	7.0%	7.0%
Foreign		8.0%	8.0%	8.0%
3. Rates of Return on Real Estate		8.5%	8.5%	8.5%
4. Rates of Return on Absolute Return Strategies		8.5%	8.5%	8.5%
5. Endowment Portfolio Asset Mix				
Money Market	2%	2%	2%	2%
Bonds	33%	33%	33%	30.5%
Public Equities	48%	46%	45%	45%
Private Equities	3%	4%	5%	5%
Real Estate	10%	10%	10%	10%
Absolute Return Strategies	4%	5%	5%	7.5%

RISKS TO THE INVESTMENT INCOME FORECAST

1. If equity returns are lower than assumed, accounting investment income will be lower depending on the extent of the decrease in equity returns and the amount of turnover in the equity portion of the Heritage Fund.

2. If interest rates increase, the market price of bonds held by the Heritage Fund will decline. Accounting investment income will decrease depending on the extent of the interest rate increase and the amount of turnover in the fixed income portion of the Heritage Fund.

EXPENSE FORECAST

The preceding projections for the Heritage Fund are gross of estimated direct investment expenses. Estimated investment expenses are as follows:

TABLE 4: Heritage Fund Expense Forecasts

	2002-03	2003-04	2004-05	2005-06	2006-07
			($ millions)		
Direct Heritage Fund Expenses	1.8	2.3	2.8	3.2	3.3
Externally Managed Investment Pools	11.4	13.4	14.7	15.6	17.7
Internally Managed Investment Pools	2.7	3.0	4.6	6.4	6.9
TOTAL	**15.9**	**18.7**	**22.1**	**25.2**	**27.9**
As a % of Fair Value	0.14%	0.16%	0.18%	0.20%	0.22%

The administrative expenses include both direct and indirect administrative expense, which include staff time, supplies and services, investment service costs and advisory services.

The increase in costs is due to increased staff and systems costs, increased size of the fund, and increased allocation to non-traditional asset classes (absolute return strategies and private equity) which are more costly to manage.

As of December 31, 2003, approximately 61 per cent of the Heritage Fund's assets are internally managed.

APPENDIX A

Description of Benchmark Indices for the Heritage Fund

Scotia Capital 91-day T-Bills Index (SC T-Bills Index)
Reflects the performance of the Canadian money market as measured by investments in 91-day Treasury Bills.

Scotia Capital Universe Bond Index (SC Universe Index)
Covers marketable investment-grade Canadian bonds with terms to maturity of more than one year. The purpose of this index is to reflect performance of the broad Canadian bond market in a manner similar to the way the S&P/TSX represents the Canadian equity market.

S&P/TSE Composite Index (S&P/TSX)
An index maintained by the S&P/TSX Canadian Index Policy Committee that measures the total return on the largest companies that trade on the Toronto Stock Exchange. (Formerly the TSE 300)

Standard & Poor's 500 Index (S & P 500 Index)
Covers 500 industrial, utility, transportation and financial companies of the US markets, mostly New York Stock Exchange issues. It is a capitalization-weighted index calculated on a total return basis with dividends reinvested.

Standard & Poor's 1500 Index (S & P 1500 Index)
The S&P 1500 index is a compilation of the S&P 500 large-cap, S&P 400 mid-cap and the S&P 600 small-cap indices. This combination addresses the needs of investors wanting broader exposure, beyond the S&P 500. The S&P 1500 covers approximately 90% of investable U.S. equities.

Morgan Stanley Capital International Europe, Australia, Far East Index (MSCI EAFE Index)
An index of over 1,000 securities listed on the stock exchanges of countries in Europe, Australia and the Far East. The index is calculated on a total return basis, which includes re-investment of gross dividends before deduction of withholding taxes.

Consumer Price Index (CPI)
Base year 1992. Provides a broad measure of the cost of living in Canada. Tracks the retail price of a representative shopping basket of about 600 goods and services from an average household's expenditure of: food, housing, transportation, furniture, clothing and recreation. All data figures that use CPI are lagged by 1 month.

ICREIM/IPD Large Institutional All Property Index
An index maintained by the Institute of Canadian Real Estate Investment Managers / International Property Databank that measures the total return from six large Canadian funds, which have real estate portfolios valued greater than $1.5 billion. The index is also prepared on a Held Property basis.

APPENDIX B

Business Plan Performance

Heritage Fund (Combined)[1]
Period ending December 31, 2003

	Current Quarter	Nine Months	One Year	Four Years[2]
Actual Return	6.3%	18.0%	12.7%	3.1%

Endowment Portfolio
Period ending December 31, 2003

	Current Quarter	Nine Months	One Year	Four Years[2]
Actual Return	6.3%	18.0%	12.7%	1.6%
Benchmark	5.9%	17.3%	11.7%	1.3%
Over (under) Benchmark	0.4%	0.7%	1.0%	0.3%

		Rates of Return			
Actual	Actual Weight	Current Quarter	Nine Months	One Year	Four Years[2]
ST Fixed Income	0.6%	0.7%	2.3%	3.1%	4.1%
LT Fixed Income	31.8%	1.1%	7.8%	7.3%	9.0%
Canadian Equities	23.0%	11.3%	31.0%	26.6%	1.7%
US Equities	16.0%	7.4%	18.1%	7.0%	-7.3%
EAFE Equities	17.4%	11.9%	34.0%	13.9%	-8.5%
Private Equities	0.9%	3.7%	4.2%	4.0%	N/A
Real Estate	7.4%	2.7%	4.8%	10.0%	7.8%
Absolute Return Strategies	2.9%	3.6%	7.8%	9.9%	N/A
Total	**100%**	**6.3%**	**18.0%**	**12.7%**	**1.6%**

Benchmark	Policy Weight	Current Quarter	Nine Months	One Year	Four Years[2]
ST Fixed Income	2.0%	0.6%	2.3%	2.9%	3.9%
LT Fixed Income	33.0%	0.9%	7.4%	6.7%	8.4%
Canadian Equities	15.0%	11.3%	31.4%	26.7%	1.0%
US Equities	15.0%	7.4%	16.9%	5.3%	-8.0%
EAFE Equities	15.0%	12.1%	32.8%	13.4%	-8.6%
Private Equities	5.0%	2.1%	6.3%	9.6%	N/A
Real Estate	10.0%	1.4%	4.1%	6.6%	9.5%
Absolute Return Strategies	5.0%	1.6%	4.8%	7.6%	N/A
Total	**100%**	**5.9%**	**17.3%**	**11.7%**	**1.3%**

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[1] All asset of the Transition Portfolio were transferred to the Endowment Portfolio in July 2002. The combined Heritage Fund return for four years includes the past performance of the Transition Portfolio.

[2] Annualized.

APPENDIX C

Glossary

Absolute Return Strategy
Absolute Return Strategies encompass a wide variety of investments with the objective of realizing positive returns regardless of the overall market direction. A common feature of many of these strategies is buying undervalued securities and selling short overvalued securities. Some of the major types of strategies include long/short equity, fixed income arbitrage, merger arbitrage, macroeconomic strategies, convertible arbitrate, distressed securities and short selling.

Active Management
Attempts to achieve portfolio returns greater than a specific index while controlling risk, either by forecasting broad market trends or by identifying particular mispriced sectors of a market or securities in a market.

Asset Allocation
The investment process by which the investment manager chooses or allocates funds among broad Asset Classes such as stocks and bonds.

Asset-Backed Securities
These are debt instruments collateralized by a pool of assets such as automobile loans or equipment leases.

Asset (or Investment) Class
Refers to a broad category of investments with similar characteristics (the typical asset classes are cash, stocks, bonds and real estate).

Benchmark Index
A benchmark index is a statistical yardstick tracking the ups and downs of a particular market by monitoring a representative group of securities over time. For example, the Scotia Capital Universe Bond Index is a Benchmark Index that is designed to reflect the changes in the Canadian bond market.

Bond
A bond is a financial instrument representing a debt where the issuer (corporation or government) promises to pay to the holder a specific rate of interest over the life of the bond. On the bond's maturity date, the principal is repaid in full to the holder.

Capital Gain (or Capital Loss)
The market value received on the sale of an asset, which is higher (lower) than its purchase price (also called cost or book value). If an asset is bought for $50 and sold for $75, the realized capital gain or profit is $25.

Diversification
Diversification is a process of allocation of investment assets within an Asset Class and among asset classes. In general, the greater the number of holdings within an asset class and among asset classes, the greater the diversification, which reduces risk.

Dividends
Earnings distributed to shareholders of a company proportionate to their ownership interest.

Duration (or Modified Duration)
Modified duration is a measure of price volatility and is the weighted average term to maturity of the security's cash flows (i.e., interest and principal), with weights proportional to the present value of the cash flows. Bonds with a longer duration are more price sensitive to interest rate changes than bonds with short durations.

Equities
Equities are synonymously called stocks or shares and represent an ownership interest in a company (could be either a public or private firm). The shareholder normally has voting rights and may receive dividends based on their proportionate ownership.

Inflation
Increases in the general price level of goods and services. Inflation is one of the major risks to investors over the long-term as savings may actually buy less in the future.

Interest-Bearing Securities
An investment that is required to pay a fixed interest rate at periodic intervals such as bonds, mortgages and debentures.

Investment Grade
An investment grade bond is rated a minimum of BBB (or equivalent) by a rating agency, with AAA being the highest grade. Bonds rated below BBB are generally classified as being speculative grade and carry higher levels of credit risk than investment grade bonds (i.e., they have a higher probability of default on interest or principal payments).

Long-term
A long-term investment horizon in the context of the Heritage Fund means a period of time that would include two business cycles, which would generally mean about 10 years.

Market Value Rate of Return
An annual percentage, which measures the total proceeds, returned to the investor per dollar invested. Total proceeds for market value rates of return = "money in the bank" plus paper profits or losses (paper profits or losses are also called Unrealized Capital Gains or Losses). "Money in the bank" means cash interest and dividends and realized capital gains or losses from selling the investment.

Median Return
The median return of a group of investment managers reflects the return associated with the manager ranked at the 50th percentile (the 50th percentile is that point where half the managers had a higher return, and half the managers had a lower return).

Money Market Instruments
Debt instruments such as Treasury Bills or corporate paper with a maturity of less than one year.

Mortgage-Backed Securities (MBS)
A MBS is a debt instrument that has an ownership claim in a pool of mortgages or an obligation that is secured by such a pool.

Mortgage Investment
A mortgage investment is a debt instrument collateralized by real assets (e.g., a building) and requiring periodic payments consisting of interest and principal.

Nominal Rate of Return
A measure of the earnings performance of a fund measured in current dollars.

Passive Management
Buying or investing in a portfolio that represents a market index without attempting to search out mispriced sectors or securities.

Portfolio
A collection of investments owned by an investor.

Private Equity
An equity investment in a private (not publicly traded) company.

Real Rate of Return
The nominal rate of return minus the rate of inflation.

Realized/Unrealized
Terms generally used to describe Capital Gains or losses. A gain or loss is generally realized when an asset is sold; prior to sale the gain or loss is unrealized and it is only a potential or "paper" gain or loss.

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